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Financing of the United Nations Mission in the Sudan

Budget for the United Nations Mission in the Sudan for the period from 1 July 2006 to 30 June 2007

Report of the Advisory Committee on Administrative and Budgetary Questions

Appropriation for 2004/05	$222,031,700
Expenditure for 2004/05	$218,865,700
Appropriation for 2005/06	$969,468,800
Proposal submitted by the Secretary-General 2006/07	$1,081,659,300
Recommendation of the Advisory Committee 2006/07	$1,081,065,000

I. Introduction

1. **The recommendations of the Advisory Committee contained in the paragraphs below would entail a reduction of $594,300 in the budget for the United Nations Mission in the Sudan (UNMIS) for the period from 1 July 2006 to 30 June 2007 (A/60/726 and Corr.1). The Committee also makes a number of observations and recommendations with regard to the administration and management of the Mission, as well as opportunities for further savings.**

2. **The general report of the Advisory Committee on United Nations peacekeeping operations will contain its views and recommendations on a number of cross-cutting issues. In the paragraphs below, the Committee deals with the resources and other items that relate specifically to UNMIS.**

3. The documents used by the Advisory Committee in its consideration of the financing of UNMIS are listed at the end of the present report.

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II. Performance report for the period from 1 July 2004 to 30 June 2005

4. On the recommendation of the Advisory Committee, the General Assembly, in its resolution 60/122, appropriated to the Special Account for UNMIS an amount of $222,031,700 gross ($219,718,600 net) for the maintenance of the Mission for the period from 1 July 2004 to 30 June 2005. Expenditures for the period totalled $218,865,700 gross ($216,775,500 net) (see A/60/626, sect. III.A). The resulting unencumbered balance of $3,166,000 gross for the period reflects a budget implementation rate of 98.6 per cent.

5. The Advisory Committee recalls that the Secretary-General presented budget proposals for the establishment of the Mission covering the period from 1 July 2004 to 30 June 2005 and for the maintenance of the Mission for the period from 1 July 2005 to 30 June 2006 (A/60/190). The results-based frameworks included in the report applied to the period from 1 July 2005 to 30 June 2006 only. The information contained in the performance report for the period from 1 July 2004 to 30 June 2005 (A/60/626) is therefore limited to financial resource performance. **The Committee expects that the 2005/06 performance report will provide an assessment of budget performance against the results-based framework that has since been established (see also para. 20 below).**

6. The unspent balance of $3,166,000 for the period from 1 July 2004 to 30 June 2005 reflects the net effect of savings of $7,118,700 under military and police personnel, offset by additional requirements of $439,800 under civilian personnel and of $3,512,900 under operational costs.

7. The savings under military and police personnel costs resulted mainly from underexpenditures related to the delayed deployment of contingent-owned equipment ($2,314,400) and an associated decrease in freight costs ($5,754,700), offset by additional requirements related to the payment of mission subsistence allowance resulting from delays in establishing camps outside of Khartoum ($467,700) and higher than budgeted costs related to travel for emplacement, rotation and repatriation ($453,900).

8. The overexpenditures under civilian personnel costs resulted mainly from increased requirements for international staff and United Nations Volunteers ($493,800 and $334,200, respectively), owing to higher salary costs resulting from a higher proportion of staff on temporary duty assignment from United Nations Headquarters and the United Nations Office at Geneva as opposed to mission appointees, higher payments of mission subsistence allowance resulting from the lack of suitable accommodation in Khartoum for international staff and to higher than budgeted monthly average costs for United Nations Volunteers (an actual average of $7,840 per month compared with the budgeted average of $4,000). These expenditures were offset by savings reported under costs of national staff ($388,200), approximately 70 per cent of whom were recruited at levels lower than the budgeted GS-4 level.

9. The overexpenditure of $3,512,900 under operational costs is the net result of the following additional requirements, offset by the amounts provided in paragraph 10 below:

(a) Facilities and infrastructure ($8,535,800), owing to the need to acquire hardwall accommodations/prefabricated units and hangars, which UNMIS had initially planned to rent, and generators to provide electricity in most of the regions outside of Khartoum, where it is practically non-existent;

(b) Ground transportation ($3,606,200), in view of the advance procurement of 12 heavy trucks and 16 fuel tankers (provided for in the budget for 2005/06) to facilitate the surge in construction projects and distribution of supplies; savings will therefore be reflected in the performance report for 2005/06;

(c) Information technology ($1,658,800), as the establishment of more camps than initially planned resulted in the need to acquire additional equipment;

(d) Consultants ($221,800), owing to the lack of in-house capacity during the start-up phase.

10. The additional expenditures were offset, in part, by savings of $4,145,700 under air transportation, owing to: the delayed deployment of fixed-wing aircraft and helicopters as a consequence of reduced activities related to the delayed deployment of contingent-owned equipment and troops (see para. 7 above); savings of $2,452,400 under communications resulting from delays in planned acquisitions, since most suppliers lacked licences to export/ship equipment to the Sudan as a result of the economic embargo on the country; and of $1,966,100 under other supplies, services and equipment, resulting mostly from delays in recruitment experienced by the United Nations Office for Project Services (UNOPS) for the mine detection and mine-clearance services undertaken for the Mission.

11. The comments of the Advisory Committee on the information in the performance report related to individual objects of expenditure can be found, where relevant, in the discussions of the proposed budget for the period from 1 July 2006 to 30 June 2007 in the paragraphs below.

12. The Secretary-General, in his report on liabilities and proposed funding for after-service health insurance benefits (A/60/450 and Corr.1), proposed a number of measures that needed to be taken to fund and account for the accrued liabilities for after-service health insurance benefits. The measures provided, inter alia, for the transfer of $250 million from unencumbered balances and savings on, or cancellation of prior periods' obligations of, active peacekeeping missions as at the end of the 2005 fiscal year. **Depending on what the General Assembly may decide, there may be a consequential impact on the financing of UNMIS and other peacekeeping operations.**

13. The Advisory Committee notes that a loss on interest income of $362,000 is proposed to be applied against the unencumbered balance of $3,166,000 for the period from 1 July 2004 to 30 June 2005 (see A/60/626, para. 24 (a) and para. 89 below).

III. Information on performance for the current period

14. The Advisory Committee was informed that, as at 24 March 2006, a total of $943,552,300 had been assessed on Member States in respect of UNMIS since its inception. Payments received as at 31 March 2006 amounted to $647,422,300, leaving an outstanding balance of $296,130,100. As at 4 April 2006, the cash

position of the Mission was $360,600,000, and the unliquidated obligations for the period from 1 July 2004 to 30 June 2005 amounted to $38,676,000.

15. As at 31 March 2006, an amount of $15,063,000 was owed in respect of troop cost reimbursement, and $45,359,000 was owed for contingent-owned equipment. Furthermore, five memorandums of understanding with troop-contributing countries for contingent-owned equipment had been signed and nine others were being finalized as at the same date. **The Committee recommends that action be expedited to conclude the agreements with troop-contributing countries.**

16. The Advisory Committee was provided with the following information on staff incumbency as at 31 March 2006:

Category	*Authorized*[a]	*Planned*[b]	*Encumbered*	*Vacancy rate (percentage)*
Military observers	750	513	628	22.4
Military contingents	9 250	9 250	7 215	22.0
United Nations police	715	635	553	12.9
International staff[a]	1 053	739	630	14.7
National staff	2 690	1 700	1 178	30.7
United Nations Volunteers	208	208	94	54.8

[a] Represents the highest authorized strength for the period.
[b] Represents planned strength for March 2006.

17. The Committee is also attaching information provided upon request on the staffing deployment figures planned until 31 July 2006 (see annex I).

18. The Advisory Committee was also provided with expenditure data for the period from 1 July 2005 to 30 June 2006 (see annex II). As at 30 April 2006, expenditure for the Mission amounted to $611,963,000 gross against the apportionment of $969,469,000 gross. As further shown, an amount of $292,663,000 is expected to be spent between 30 April and 30 June 2006, thus projecting an unencumbered balance of $64,843,000 for the financial period 2005/06 and reflecting a budget implementation rate of 93 per cent. The Committee notes anticipated overexpenditures of 5 per cent under military and police personnel costs resulting from additional requirements for the payment of mission subsistence allowance to military observers, police personnel and staff officers at standard rates instead of the budgeted reduced rates, owing to the delays in the construction of camps. These overexpenditures are partly offset by savings under military contingents owing to the delayed arrival of troops. Under civilian personnel costs, savings of 2 per cent are anticipated resulting from underexpenditures related to lower post incumbency, offset by higher than anticipated mission subsistence allowance costs for staff outside of Khartoum owing to delays in the construction of camps.

19. The anticipated savings of 12 per cent under operational costs would result from lower requirements under fuel and self-sustainment in view of the delayed arrival of troops and contingent-owned equipment; lower requirements under ground transportation resulting from the advance purchase of vehicles in the 2004/05 period and the transfer of vehicles from liquidating missions; lower

requirements for air transportation owing to reduced flight hours and related fuel costs resulting from the delayed deployment of troops; lower requirements anticipated for communications and information technology in view of a revised plan and lower overall usage owing to lower personnel incumbency, as well as savings under other supplies, services and equipment in view of delays in the start of the Mission's disarmament, demobilization and reintegration programme.

20. **The Advisory Committee trusts that, as UNMIS has moved into the second year of implementation of its mandate, the budget assumptions will be improved to reflect lessons learned from the operation of the Mission. The Committee welcomes the implementation of a Lotus Notes results-based budgeting database, which should facilitate the recording by programme managers of progress made on performance, thus providing a portfolio of evidence to substantiate actual accomplishments recorded in the performance report.**

IV. Proposed budget for the period from 1 July 2006 to 30 June 2007

A. Mandate and planned results

21. The Advisory Committee recalls that UNMIS was established in response to the request of the parties to the Comprehensive Peace Agreement. In that Agreement, the Government of the Sudan and the Sudan People's Liberation Movement/Army (SPLM/A) agreed to share responsibility, over a period of six and a half years, in addressing the challenges summarized in paragraph 4 of the Secretary-General's report to the Security Council (S/2005/411). The mandate of the Mission is set out in paragraph 4 of Security Council resolution 1590 (2005), in which the Council established the Mission. In paragraph 3 of that resolution, the Council further requests the Secretary-General, through his Special Representative for Sudan, to coordinate all the activities of the United Nations system, to mobilize resources and support from the international community for both immediate assistance and the long-term economic development of the Sudan, and to facilitate coordination with other international actors, in particular the African Union and the Intergovernmental Authority on Development, of activities in support of the transitional process established by the Comprehensive Peace Agreement. The Secretary-General was also requested to provide good offices and political support for the efforts to resolve all ongoing conflicts in the Sudan.

22. The Advisory Committee notes that the Security Council, in its resolution 1663 (2006), extended the mandate of UNMIS until 24 September 2006, with the intention of renewing it for further periods. Furthermore, in paragraph 4 of that resolution, the Secretary-General was requested to "expedite the necessary preparatory planning for transition of the African Union Mission in the Sudan (AMIS) to a United Nations operation, including options for how UNMIS can reinforce the effort for peace in Darfur through additional appropriate transitional assistance to AMIS, including assistance in logistics, mobility and communications" and to present to the Council for its consideration a range of options for a United Nations operation in Darfur.

23. Moreover, following the signing of the Darfur Peace Agreement in Abuja on 5 May 2006, the Security Council, in its resolution 1679 (2006), called upon the parties to the Agreement to facilitate and work with the African Union, the United Nations, regional and international organizations and Member States to accelerate the transition of AMIS to a United Nations operation, and called for the deployment of a joint African Union and United Nations technical assessment mission within one week of the adoption of the resolution. The Council further requested the Secretary-General to submit recommendations within one week of the return of the joint assessment mission on "all relevant aspects of the mandate of the United Nations operation in Darfur, including force structure, additional force requirements, potential troop-contributing countries and a detailed financial evaluation of future costs". **The Advisory Committee was informed that, depending on the decision the Security Council may take in this regard, the costs for the financing of UNMIS for the period from 1 July 2006 to 30 June 2007, as set forth in the Secretary-General's report (A/60/726 and Corr.1), may be reviewed, in which case revised estimates would be submitted for the consideration of the Advisory Committee and the General Assembly; the Committee trusts that any such estimates will be submitted expeditiously.**

24. The Advisory Committee notes that a status-of-forces agreement was signed with the Government of the Sudan on 28 December 2005. The Committee was informed, however, that a lot of time had been spent on clarifying the provisions of the agreement in view of differing interpretations. The Committee also notes that United Nations military observers continue to face restrictions on their freedom of movement in the Abyei area after the signing of the agreement (see S/2006/160, para. 82). **The Committee encourages the resolution of these and other restrictions which may hamper the operation of the Mission in fulfilling its mandate.**

25. In its report on the financing of the Mission for the period from 1 July 2004 to 30 June 2006 (see A/60/428, paras. 5 and 15-22), the Advisory Committee referred to the structure of the United Nations Mission in the Sudan, recognizing the need for a special structural framework tailored to the mandate of the Mission and stressing the particular importance of cooperation among all actors in view of the responsibility for coordination of all activities of the United Nations system in the area, as requested in paragraph 3 of Security Council resolution 1590 (2005). Information is provided in this regard in section V of the budget document (A/60/726 and Corr.1). The Committee also notes that the Mission has reviewed the reporting lines between the Office of the Special Representative and the field office in Juba and the UNMIS regional offices, and that the heads of the field office and regional offices will now liaise with the Office of the Special Representative through the Chief of Staff instead of reporting directly to the Special Representative (see A/60/726, para. 8).

26. The Committee welcomed the launching of the 2005 workplan as an important coordination and harmonization mechanism for the provision of humanitarian assistance and protection and support for the implementation of the Comprehensive Peace Agreement through targeted recovery and development programmes. As revised in June 2005, the workplan amounted to $1.96 billion (A/60/428, para. 23). The Secretary-General, in his report to the Security Council dated 14 March 2006 (see S/2006/160, para. 74), indicated that over $1.1 billion had been received, primarily for humanitarian requirements. He also indicated that a 2006 workplan

had been launched in December 2005, with total funding requirements amounting to $1.7 billion, including $1.5 billion in humanitarian requirements and $211 million for recovery and development activities which, as at 14 March 2006, was funded at $281.9 million or 16.3 per cent (see S/2006/160, paras. 75 and 76). **The Committee encourages the efforts to obtain the resources required for the funding of the 2006 workplan.**

27. While noting that the 2005 workplan included a system for monitoring and accountability of programmes, the Advisory Committee recommended that such system be further developed for the 2006 workplan (see A/60/428, para. 23). The report containing the proposed budget for UNMIS indicates that coordination and accountability of the activities under the 2006 workplan will be accomplished through the establishment of a monitoring and evaluation unit within the Office for the Coordination of Humanitarian Affairs, to be funded through voluntary contributions, and that oversight will be provided by the Office of the Deputy Special Representative of the Secretary-General (see A/60/726, sect. V.B).

B. Resource requirements

28. The proposed budget for UNMIS for 2006/07 amounts to $1,081,659,300 gross ($1,061,329,500 net), representing an increase of $112,190,500 (11.6 per cent) in gross terms over the amount of $969,468,800 apportioned for the 2005/06 period. The Advisory Committee notes that the increase relates mostly to additional requirements under military and police personnel ($73,006,000) and civilian personnel costs ($100,680,400), offset by a decrease in the requirements proposed for operational costs ($61,495,900).

29. The budget provides for the deployment of 750 military observers, 9,250 military contingent personnel, 715 United Nations police, 1,136 international staff, 3,342 national staff and 231 United Nations Volunteers. In addition, the budget includes seven international and three national staff funded under general temporary assistance for the Conduct and Discipline Team.

1. Military and police personnel

	Approved 2005/06[a]	*Proposed 2006/07*
Military observers	750	750
Military contingent personnel	9 250	9 250
United Nations police	715	715

[a] Represents the highest level of authorized/approved staff.

30. The Committee notes that no change is proposed in the numbers of military and police personnel for the period 2006/07, as the phased deployment of military and police personnel is to reach its highest authorized numbers by 30 June 2006 (see also annex I). The increase of $73,006,000 (29.9 per cent) under this budget item, compared with the resources of $244,483,300 apportioned for 2005/06,[1] therefore reflects the full deployment of military observers, military contingents and police personnel rather than the phased deployment costs budgeted for in 2005/06, offset

by reduced deployment costs for contingent-owned equipment, since deployment will be completed during the current financial period.

31. The costing requirements therefore do not reflect a delayed deployment factor for military observers and United Nations police, but do reflect a 3 per cent factor for military contingents,[1] compared with 10 per cent applied for all three categories of personnel for 2005/06, and higher mission subsistence allowance rates, since military observers and United Nations police will arrange for their own food and accommodation after the first 30 days instead of staying in camps provided by the Mission.

32. The estimated requirements for contingent-owned equipment for 2006/07 increased to $48,409,600, compared with the amount of $38,641,600 budgeted for 2005/06, reflecting the full deployment of military contingents. The requirements for self-sustainment amount to $39,764,300. Details are shown in paragraph 12 of the budget for 1 July 2006 to 30 June 2007 (see A/60/726, para. 12).

2. Civilian personnel

	Authorized 2005/06	*Proposed 2006/07*
International staff[a]	1 060	1 143
National staff[b]	2 693	3 345
United Nations Volunteers[c]	208	231

[a] Represents the highest level of authorized/proposed strength.
[b] Includes National Officers and national General Service staff.
[c] Includes both international and national United Nations Volunteers.

33. The civilian personnel costs for UNMIS for the period from 1 July 2006 to 30 June 2007 amount to $192,343,700, providing for a staffing component of 1,143 international staff, 3,345 national staff and 231 United Nations Volunteers, including 10 positions funded under general temporary assistance related to the Conduct and Discipline Team (1 D-1, 3 P-4, 1 P-2, 2 Field Service, 2 National Professional Officers and 1 national General Service staff member). The net change of 758 posts reflects the proposals for 788 additional posts and the abolition of 30 posts; 11 reclassifications are also proposed (see paras. 37-69 below). The staff costs take into account the application of a 20 per cent delayed recruitment factor for international staff and United Nations Volunteers and 25 per cent for national staff.

34. The Advisory Committee notes that posts to be filled by national staff in 2006/07 account for 70 per cent of the civilian personnel posts proposed, compared with 68 per cent in the 2005/06 budget. However, the Committee notes from the data in annex I that, as at 31 March 2006, actual incumbency for national General Service staff was 1,118 (a vacancy rate of 28.8 per cent over the 1,570 planned to be on board) and that for National Professional Officers, the actual incumbency was 60 (a vacancy rate of 53.8 per cent of the 130 planned). However, while the vacancy rate of 28.8 per cent for national General Service staff is only slightly higher than the budgeted rate of 25 per cent, the Committee was further informed that this hides the disparity between recruitment in Khartoum against that in the south, which continues to be a challenge.

35. In this connection, the Advisory Committee recalls that UNMIS proposed to temporarily fill the gap with international staff on short-term assignments, while attempting to implement a vocational training programme. The Committee welcomed this approach (see A/60/428, para. 26). **However, the Advisory Committee has pointed out that a gradual replacement of international staff with national staff, wherever feasible and cost-effective, should be encouraged in peacekeeping missions, as it contributes to capacity-building and transfer of skills to the local population (see A/59/736, para. 58).**

36. The Advisory Committee also referred to the inclusion of national United Nations Volunteers in the 2005/06 budget and recommended that information on this modality, including benefits achieved during the first year of implementation and future plans, be provided in the next performance report and budget submission for UNMIS (see A/60/428, paras. 27-28). The Committee was informed that the programme had been delayed, since the detailed groundwork and agreements between the Department of Peacekeeping Operations and the United Nations Volunteers programme had taken longer to finalize than expected. It is also indicated, in section V.B. of the budget report (A/60/726), that the Mission has been unable so far to recruit national United Nations Volunteers, owing to the fact that the international staff who were to take part in the selection process had not yet arrived. The Committee was further informed that all details of the programme have now been agreed on and that the first round of advertisements for recruitment has been completed. **The benefits achieved from the national United Nations Volunteers programme should therefore be reported in the 2007/08 budget.**

Recommendations on posts

(a) Executive direction and management

37. *Reclassification of the post of Principal Economic Officer (D-1) to Senior Economic Officer (P-5) (Office of the Special Representative of the Secretary-General)*. The Advisory Committee was informed that the post had not yet been filled and that the downward reclassification is proposed on the basis of the first year of experience of the Mission. **The Advisory Committee recommends approval of the proposed reclassification.**

38. *Creation of a Field Office Liaison Cell with two international (1 P-2 and 1 Field Service) and three national posts (2 National Professional Officers and 1 national General Service) (Office of the Chief of Staff, headquarters)*. The Cell is proposed in view of the new reporting line of the Juba field office and regional offices through the Chief of Staff, as indicated in paragraph 25 above. The existing post of Reporting Officer (P-4) in the Office of the Chief of Staff would be retitled as Assistant Chief of Staff and supported by the following additional posts: one Reporting Officer (P-2), two National Liaison Officers (National Professional Officers), one Administrative Assistant (Field Service) and one Office Assistant (national General Service). **The Advisory Committee recommends acceptance of the proposal for Field Office Liaison Cell.**

39. *Redeployment of the Programme Officer, Best Practices (P-4), from the Joint Mission Analysis Centre to the Office of the Chief of Staff at headquarters, and the addition of one Programme Officer, Best Practices (P-3), at the field office in Juba.* The Committee was informed that the redeployment of the function and post from

the Joint Mission Analysis Centre had been proposed in view of the fact that the Office of the Chief of Staff is considered a better location for those functions, as they cover a wider spectrum of activities and involve interaction with actors beyond the Mission itself. It is also proposed to develop similar functions in the Juba field office with an additional P-3 post for a Programme Officer. **The Advisory Committee does not object to the redeployment to the Office of the Chief of Staff of the functions and P-4 post related to Best Practices. It does not see the need, however, to fragment the functions or duplicate them, thus recommending against the P-3 post in the Juba field office.**

40. *Creation of a strategic planning capacity with four international posts (1 P-5, 1 P-4 and 2 international United Nations Volunteers (Office of the Chief of Staff, headquarters)).* **The Advisory Committee notes that there is no such dedicated capacity at present and that the functions are carried out in an ad hoc manner. The Advisory Committee recommends acceptance of the P-5 post for a Senior Strategic Planning Officer to carry out the functions indicated in the report related to strategic mission planning and implementation and of the two Planning Officer posts (international United Nations Volunteers), one each to focus on such matters in the north and the south of the country. The Committee recommends against the Planning Officer post (P-4), whose functions seem mostly to duplicate those of the proposed P-5 post.**

41. *Reclassification of Senior Legal Officer (P-5) to Principal Legal Officer (D-1) and addition of one P-4 level post for a Legal Officer (Office of Legal Affairs, headquarters).* The upward reclassification (P-5 to D-1) is proposed in connection with the complexities and challenges expected to arise from the establishment of institutions related to the Comprehensive Peace Agreement. An additional Legal Officer post (P-4) is also proposed for the provision of advice on and support for the implementation of Security Council resolutions, the implementation of the status-of-forces agreement and the legal implications arising from the implementation of the Comprehensive Peace Agreement.

42. **The Advisory Committee recommends acceptance of the P-4 post for the Legal Officer in view of the problems indicated in paragraph 24 above in relation to the status-of-forces agreement. The Committee recommends against the reclassification of the post of the Senior Legal Officer to the D-1 level at this stage. The Committee has consistently pointed out that such functions should be carried out at the P-5, instead of the D-1 level in view of the available guidance and support from Headquarters (see, for example, A/59/736/Add.12, para. 28; A/59/412, para. 21; and A/55/839, para. 34). The Committee also notes that such functions are performed at the P-5 level in other large missions, such as the United Nations Organization Mission in the Democratic Republic of the Congo and the United Nations Stabilization Mission in Haiti. Moreover, in the opinion of the Committee, unless there are compelling reasons otherwise, the setting of policy that is carried out at the D-1 level and above should emanate from Headquarters in order to ensure consistency of approach, which is crucial in legal matters.**

43. *Addition of five international posts for an Information Management Officer (P-4), two Associate Information Officers (P-2), one Associate Reporting Officer (P-2), one Associate Information Analyst (P-2) and two Information Officers (National Professional Officers) for the Joint Mission Analysis Centre.* **The**

Advisory Committee recommends acceptance of one Associate Information Officer post (P-2) of the two proposed, the Associate Reporting Officer (P-2), the Associate Information Analyst (P-2) and the two Information Officer posts (National Professional Officers) to carry out the activities indicated in the budget document. The Committee recommends against the P-4 post proposed, as the functions can be carried out by the existing P-5 post or other P-4 post available in the Centre. A second P-4 post will be redeployed to the Office of the Chief of Staff, as the functions related to Best Practices are considered to be better located there (see para. 38 above).

44. *Redeployment of the 11 posts (1 P-5, 3 P-4, 4 P-3, 2 Field Service and 1 national General Service) of the Office of the Resident Auditor to the Support Account for peacekeeping operations*. **The Advisory Committee, in its report on the financial performance and proposed budget for the support account for peacekeeping operations for the period from 1 July 2006 to 30 June 2007, recommended the deferral of action on the post and non-post resources of the Office of Internal Oversight Services, including resident auditor posts, until the review of the Office, as part of the United Nations oversight machinery, is finalized; a report is expected to be submitted by 31 May 2006 (see A/60/807, para. 114).**

45. *Addition of a Senior Coordinator/Adviser post (P-5), Office of the Principal Deputy Special Representative*. The incumbent of the post would provide advice and analysis on cross-cutting issues and assist in coordination and oversight functions. **The Advisory Committee recommends acceptance of this post.**

(b) Component 1, peace process

46. *Reclassification of the post of Public Information Officer, Video Producer (P-3) to Chief, Video and Print Media Unit (P-5) in the Communications and Public Information Office (headquarters)*. The Advisory Committee is not convinced of the need to reclassify the post in order to match the capability to that of the Chief of the Radio Unit. **The Committee is of the opinion that the existing P-5 should provide overall leadership for those functions and recommends against the reclassification of the post.**

(c) Component 2, security

47. *Addition of a Deputy Force Commander post (D-1) (Office of the Force Commander, headquarters)*. As indicated in the report (see A/60/726), the post is requested to assist the Force Commander in meeting security requirements of the Mission. **The Advisory Committee is not convinced at this time of the need for this post. The proposal could be resubmitted should there be an expanded military presence.**

(d) Component 4, humanitarian assistance, recovery and reintegration

48. *Addition of two international United Nations Volunteers (Return, Recovery and Reintegration Section, headquarters)*. Two additional international United Nations Volunteer posts are proposed for an Information Campaign Officer, who would contribute to the information campaign in relation to returns and to build the capacity of local authorities to assume a larger role in this sector, and for an Information Management Officer, proposed to strengthen the data management and

analytical capacity of the local authorities. **While recognizing the importance of those functions, the Advisory Committee recommends that the two posts, since they relate to headquarters, be established as United Nations Volunteers at the national instead of the international level.**

49. *Inward redeployment of an Associate Return, Recovery and Reintegration Officer (P-2) from Rumbek to Khartoum; outward redeployment of two Return, Recovery and Reintegration Liaison Officer (National Professional Officer) from Khartoum to El Fasher; and abolition of one Return, Recovery and Reintegration Programme Officer (National Professional Officer) post (Return, Recovery and Reintegration Section, headquarters)*. The inward redeployment of the P-2 post is proposed to manage the workload of the Planning Unit and support the two existing Planning Officers in developing, implementing and monitoring related common planning frameworks and processes. The redeployment of the two Return, Recovery and Reintegration Liaison Officers to El Fasher follows the reorganization of the Section and the decision to strengthen the regional office (see para. 52 below). **The Advisory Committee has no objection to the three redeployments proposed and to the abolition of the post.**

50. *Establishment of mobile teams at the field office in Juba and the sub-offices at Malakal and Wau with the addition of two P-3, three international United Nations Volunteers and three national General Service posts and the conversion of one United Nations Volunteer post from national to international (Return, Recovery and Reintegration Section, field office in Juba and sub-offices at Wau and Malakal)*. In view of the possibility of up to 1 million returns to southern Sudan expected in 2007, it is proposed to establish mobile teams at the field office in Juba and the sub-offices at Malakal and Wau, thus providing a flexible capacity to respond where there is no such presence and also to build local capacity. The team in Juba would include an existing P-3 post, the title of which would be changed to Return, Recovery and Reintegration Officer, two international United Nations Volunteer posts (of which one is new and one is a conversion from national to international, and a new national General Service post for a Programme Assistant. The mobile teams in Malakal and Wau would each include three new posts: an Return, Recovery and Reintegration Officer (P-3), an Return, Recovery and Reintegration Officer (international United Nations Volunteer) and a Programme Assistant (national General Service staff). **The Advisory Committee recommends approval of the new posts proposed for the Return, Recovery and Reintegration mobile teams and the conversion from national to international of the United Nations Volunteer post.**

51. *Redeployment of an Associate Return, Recovery and Reintegration Officer (P-2) from Rumbek to Khartoum and abolition of one National Professional Officer post (Return, Recovery and Reintegration Section, sub-office at Rumbek)*. The redeployment of the P-2 post to Khartoum (see also para. 49 above) and the abolition of the National Professional Officer post are proposed in view of the relocation of the capital of southern Sudan to Juba. **The Advisory Committee has no objection to these proposals.**

52. *Addition of three new international staff (1 P-5, 1 P-3, 1 international United Nations Volunteer posts) and redeployment of two national staff posts (National Professional Officers) from headquarters in Khartoum to the regional office in El Fasher*. In view of the fact that the Darfur Peace Agreement was signed on 5 May

2006 (see para. 23 above), it is anticipated that 450,000 displaced persons would start to return to the area within six months, with up to 1.3 million returning in the following two years. The proposed additional posts (1 P-5, 1 P-3 and one international United Nations Volunteer) and the two redeployed national posts (see also para. 49 above) would provide support to an existing P-4 in the planning and implementation of programmes for return and reintegration in Darfur, in coordination with the sub-offices in Nyala, El Geneina and Zalingi. **The Advisory Committee recommends approval of the three new posts proposed and has no objection to the redeployment proposed.**

53. *Addition of a Return, Recovery and Reintegration Officer (P-4) to the regional office in Kadugli (Return, Recovery and Reintegration Section, regional office Kadugli)*. The additional P-4 level post is proposed to provide support to and supervise the existing team of four Return, Recovery and Reintegration Officers and a Programme Assistant, since 580,000 internally displaced persons and refugees returned in 2005, and the number is expected to increase to 683,000 in 2006 and to peak in 2007 and 2008. **The Advisory Committee recommends acceptance of this post.**

54. *Conversion of one Return, Recovery and Reintegration Officer post from national to international United Nations Volunteer and abolition of one Return, Recovery and Reintegration Officer post (National Professional Officer) in Ed Damazin (Return, Recovery and Reintegration Section, regional office, Ed Damazin)*. The conversion of the post from national to international United Nations Volunteers is proposed in view of the experience that the latter can more suitably bring to capacity-building efforts. The abolition of the National Professional Officer post is proposed, as the Office of the United Nations High Commissioner for Refugees will take the lead role for the coordination of returns and reintegration in the region. **The Advisory Committee recommends approval of the proposed conversion and has no objection to the abolition of the post.**

55. *Addition of an international United Nations Volunteer post for a Return, Recovery and Reintegration Officer in Kassala (Return, Recovery and Reintegration Section, regional office, Kassala)*. The proposed post would support an existing *Return, Recovery and Reintegration* Officer post in preparing, planning and coordinating for the return operations resulting from the anticipated political progress in the east of Sudan. **The Advisory Committee recommends approval of this post.**

(e) Component 5, support

56. *A net increase of 496 posts for the Security and Safety Section, reflecting an addition of 519 posts (1 international and 518 national staff) and the abolition of 23 posts (7 international and 16 national staff)*. The Committee notes that the staffing requirements proposed relate to the fact that offices, accommodation, clinics and warehouses are located in different sites in many of the regional and subregional offices, and that separate small bases at airports in each of the major locations used by the Mission are required for the storage of supplies and equipment or for security checkpoints prior to embarkation on flights. The number of guards proposed for bases at the airports is based on three defined levels of requirement (where there is a military presence, where perimeter security is ensured by both civilian and military personnel, and where there is no presence of military personnel), including required

shifts and functions to be performed. The Committee also notes that in most cases the provision for additional posts includes national Security Officers (national General Service staff) proposed to be positioned alongside United Nations Security Officers so that they can benefit from professional experience, thus building national capacity. On this basis, the changes in post requirements proposed for the Security and Safety Section can be summarized as follows:

- 110 national posts for Mission headquarters, of which 46 additional Security Guards (national General Service staff) would strengthen the current force (50) in securing Mission headquarters premises, 60 additional Security Guards would secure the United Nations flight terminal at Khartoum and 4 national Security Officers are proposed for positioning alongside United Nations Security Officers.
- 19 additional national staff posts for the field office in Juba, including 16 Security Guards for airport security and three national Security Officers.
- 26 national staff posts for the sub-office in Malakal, of which 8 Security Guards would secure the office compound, clinic, accommodation sites and transport workshop in addition to the existing strength (28), and 16 additional Security Guards would secure the airport with two national Security Officers.
- 42 national staff for the sub-office in Wau, of which 24 additional Security Guards, along with the current strength (28), would secure the main offices and three accommodation sites; airport security would include 16 additional Security Guards and two national Security Officers.
- 71 national staff for the sub-office in Rumbek, of which 31 additional Security Guards would secure the existing premises and the new UNMIS office (current strength is 40), and 38 additional Security Guards would provide airport security along with two national Security Officers.
- 1 international and 19 national staff for the regional office in Kadugli for a pass and ID unit proposed to be staffed by one international (Field Service) and one national staff (national General Service) and 16 additional Security Guards for airport security with two national Security Officers to be posted alongside them. The Advisory Committee notes that because of the volume of IDs that need to be processed in the south, the current mobile pass and ID service out of Juba has difficulties in covering the east, and that the new unit proposed will therefore cover the eastern region.
- 37 national staff for the regional office in Ed Damazin, in addition to the current strength of 28 Security Guards, are required to secure the main offices and two new annexes, of which an additional 20 Security Guards would supplement security at the annexes; 16 additional Security Guards are proposed for airport security along with one national Security Officer.
- 25 additional national staff posts to secure the airport of the regional office in Abyei (24 Security Guards and one national Security Officer).
- 40 additional national staff posts to provide airport security for the regional office in El Fasher (38 Security Guards and 2 national Security Officers).
- Two additional national Security Officer posts for the sub-office in Nyala, to be positioned alongside United Nations Security Officers.

- Two additional national Security Officer posts for the sub-office in El Geneina, to be positioned alongside United Nations Security Officers.
- 17 national staff for the sub-office in Zalingei, of which 16 additional Security Guards would supplement the existing strength (15) in securing the sub-office, a clinic and a guest house, along with one national Security Officer.
- 57 additional staff for the regional office in Kassala, where the sub-office, one existing and one new guest house, a transport warehouse and a clinic need to be secured (current strength amounts to 30 Security Guards for the office and guest houses). An additional 30 Security Guards are proposed to secure the transport workshop and clinic, 24 Security Guards would secure the airport and three national Security Officers will be posted alongside them.
- 51 additional national staff posts for the El Obeid Logistics Base, where an additional 12 Security Guards would supplement existing strength (38 Security Guards and 12 support staff) in securing the main office, the logistics base and a clinic; and 38 additional Security Guards would provide airport security, with one national Security Officer posted alongside them.
- The staging post in Lokichoggio, Kenya, under the supervision of the field office in Juba, is not being used and the security office will close. Seven international posts (1 P-3, 1 P-2, 5 Field Service) and 16 Security Guard posts (national General Service) are therefore proposed for abolition.

57. **The Advisory Committee recommends approval of the 519 additional posts proposed and has no objection to the abolition of the 23 posts related to the staging post in Lokichoggio, Kenya; hence, a net increase of 496 posts in the Security and Safety Section is proposed.** The Committee notes, however, that resources are also proposed under general temporary assistance for the provision of 60 national Security Guards for up to six months during which the Mission will prepare the consolidated headquarters premises, which continues to be accommodated in the old buildings, and the provision for 12 security guards for three months while the Khartoum warehouses are also transferred to the consolidated premises. **The Committee is of the opinion that the allocation of resources for the Security and Safety Section should be reviewed after December 2006, when the consolidated headquarters premises should be completed. The Committee also encourages the consolidation of units to be secured wherever possible in order to facilitate the provision of those services and releasing some of the resources.**

58. *Three additional posts (1 international (Field Service), 1 National Professional Officer and 1 international United Nations Volunteer), HIV/AIDS Unit.* A post for an HIV/AIDS Monitoring and Evaluation Officer (Field Service) is proposed for the field office in Juba in connection with the monitoring and evaluation system agreed by the United Nations agencies and the Sudan National AIDS Programme, and two posts for Training Officers (1 international United Nations Volunteer and 1 National Professional Officer) for the regional office in Kadugli, to create awareness, provide counselling and assist in training and mainstreaming in the disarmament, demobilization and reintegration programme in the south. **The Committee recommends approval of these three posts.**

59. *Addition of a P-5 post for a Chief, Mission Support Coordination Officer and a P-3 post for a Planning Officer for the Mission Support Coordination Unit, Office of*

the Director of Administration. The Committee notes that the unit is proposed to be established on the basis of experience to date and the need to provide dedicated capacity for support planning, currently part of the functions of the Deputy Director of Administration. This would allow translation of the needs of the different components of UNMIS into mission implementation plans and facilitate monitoring. The additional two posts proposed for the new unit (1 P-5 and 1 P-3) will be supplemented by the redeployment of six existing staff from the Office of the Director of Administration (1 P-4, 2 Field Service, 1 National Professional Officer and 2 national General Service staff). **The Committee recommends acceptance of this proposal.**

60. *Reclassification of three Regional Administrative Officer posts from P-3 to P-4 in Abyei, Kassala and Rumbek.* The proposal relates to the need for temporary team sites in the south and east of Sudan, based on experience to date. **The Committee has no objection to the reclassifications proposed.**

61. *Addition of one Vocational Training Officer post (P-3) and a Training Officer post (international United Nations Volunteer) (Training Unit, Juba field office).* The incumbent of the P-3 post will coordinate delivery of the Vocational Training Programme and long-term capacity-building of national staff in southern Sudan; the incumbent of the international United Nations Volunteer post will oversee, analyse and identify training needs, design and implement programmes, and focus on the evaluation of the impact of training. **The Committee recommends approval of these posts.**

62. *Addition of two Aviation Security Officer posts (1 P-3 and 1 Field Service), Aviation Safety Unit.* The two posts proposed would provide a dedicated link with the Government of Southern Sudan and the Civil Aviation Authority in Juba, and in view of the large number of air assets, staff and facilities involved, would resolve the geographical and logistical difficulties for Khartoum-based officers to travel to the south as often as required. **The Committee recommends approval of the two posts that will provide support in dealing with aviation safety matters in southern Sudan.**

63. *An addition of 54 posts is proposed for Administrative Services: 20 international posts (1 P-4, 2 P-3, 1 P-2, 16 Field Service), 12 international United Nations Volunteer posts and 22 national posts (national General Service).* **The Advisory Committee recognizes the evolving nature of the Mission and is of the opinion that it is important to provide the capacity now in order for it to carry out its tasks in the near future, in view of the long lead time currently required for the filling of posts. In this connection, the Committee expects that recruitment will be expedited with a consequent significant decline in vacancy rates.**

64. *A net addition of 180 posts is proposed for the Integrated Support Services, including 57 international posts (1 P-5, 2 P-4, 54 Field Service) and 123 national posts (3 National Professional Officers and 120 national General Service staff). The proposed changes include six reclassifications: one P-4 to P-5 for the Chief of Movement Control Section, one P-3 to P-4 for the Chief of Technical Compliance Unit, one P-3 to P-4 for a Contractual Services Officer, one P-3 to P-4 for a Regional Engineer, one Field Service to P-3 for a Geographic Information Systems Officer, and one national General Service to National Professional Officer for a Customs Officer.*

65. The Advisory Committee was informed that, in line with the Mission's policy on vocational training for national staff, the proposal for additional international posts is to ensure continuity of services in the field offices while providing a mentoring service and on-the-job training to national staff, further supported with training courses for national staff. **The Advisory Committee stresses the importance of capacity-building in the Mission and, for reasons similar to those expressed in paragraph 63 above, it recommends approval of those posts with the expectation of an expedited recruitment.**

66. **The Advisory Committee does not object to the six reclassifications proposed in the Integrated Support Services (see para. 64 above).**

67. In addition to the staffing changes in the proposed Secretary-General's budget report, the Mission proposes a number of redeployments between and within components, some of which have been mentioned in the paragraphs above because of their bearing on a number of posts proposed or the units in which they are to be placed. **The Advisory Committee has no objection to the proposed redeployments.**

Other matters

68. The Committee notes that 10 positions relating to the Conduct and Discipline Team, including 7 international and 3 national staff positions, are shown in table 6, human resources, component 5, support of the budget document (A/60/726). The Committee was further informed that three of those posts (1 P-4, 1 Field Service and 1 National Professional Officer positions) are located in the field office in Juba, while the rest are at headquarters in Khartoum. Furthermore, the placement under the support component is for presentation purposes only, since, similarly to the security resources, it relates to the Mission as a whole. The Head of the Conduct and Discipline Team, however, reports to the Special Representative of the Secretary-General through the Office of the Chief of Staff. However, as indicated in footnote c to table 6 of the budget, those positions are funded under general temporary assistance. **Although the Advisory Committee appreciates the inclusion of this information, it requests that in order to clarify the distinction between positions and posts, future human resources tables include a separate column for positions funded under general temporary assistance.**

69. In its report on the budget of the Mission for the period from 1 July 2004 to 30 June 2006 (see A/60/428, para. 22), the Advisory Committee indicated the need for clarity in the relationship between the functions and role of UNMIS staff and that of the Office for the Coordination of Humanitarian Affairs, other United Nations agencies and non-governmental organizations in order to avoid duplication of functions, particularly as regards the Humanitarian Assistance Liaison Unit and the Return, Recovery and Reintegration Section. In this connection, the Committee welcomes the information provided in the budget document on the respective roles and responsibilities of UNMIS and the United Nations agencies for various functions (see A/60/726, sect. V.A).

70. The Advisory Committee further notes that the staffing of the Humanitarian Assistance Liaison Unit for 2006/07 is maintained at 41 posts (10 at Mission headquarters and 31 at the field offices). Upon enquiry, the Committee was informed that the Office for the Coordination of Humanitarian Affairs currently has eight offices in southern Sudan (Rumbek, Wau, Malakal, Aweil, Bor, Juba, Yei and

Beniu). The offices in Aweil and Bor are planned to be closed by the end of 2006 and, as the humanitarian situation stabilizes and recovery/reconstruction takes hold, the Office for the Coordination of Humanitarian Affairs intends to phase out its offices in southern Sudan. The Committee was further informed that there will be a great need for coordination among the various United Nations offices, non-governmental organizations and government actors in southern Sudan in future, particularly as regards return, recovery and reintegration, disarmament, demobilization and reintegration and other vital areas, underscoring the need for the 41 Humanitarian Liaison Officers for the Mission.

3. Operational costs

Apportioned 2005/06	*Proposed 2006/07*
$633 322 200	$571 826 300

71. The operational costs for UNMIS for the period from 1 July 2006 to 30 June 2007 represent a decrease of $61,495,900 (9.7 per cent) compared with the apportionment for 2005/06. Major factors contributing to the decrease include reductions in the requirements for official travel ($1,800,800), facilities and infrastructure ($73,871,100), ground transportation ($32,468,800), air transportation ($21,146,500) and communications ($8,406,700), the last four items reflecting a reduction in acquisitions undertaken during the budget periods 2004/05 and 2005/06. The reductions are partly offset by increases under general temporary assistance ($799,800), consultants ($26,600), information technology ($3,861,900), medical ($1,665,700), special equipment ($93,300) and other supplies, services and equipment ($62,524,500), the last item relating mostly to increased requirements for the disarmament, demobilization and reintegration as well as demining activities of the Mission.

Facilities and infrastructure

72. The resources proposed under facilities and infrastructure for the period from 1 July 2006 to 30 June 2007 amount to $156,047,700, a decrease of $73,871,100 (32.1 per cent) compared with the apportionment for 2005/06 of $229,918,800. The Advisory Committee notes that most of the reduction relates to the rental of premises, as hard wall accommodation is established for the military; the acquisition of prefabricated facilities, as most of it took place during the 2004/05 and 2005/06 budget periods; the need for alteration and renovation services, as fewer projects are planned for the period 2006/07 compared with 2005/06; and to the acquisition of other items, such as water purification, refrigeration, accommodation, office and firefighting equipment, as well as the rental of office equipment, as most of it also took place during the two previous periods.

Air transportation

73. The resources of $177,023,800 proposed for 2006/07 provide for the rental and operation of 18 fixed-wing and 27 rotary wing aircraft and related costs. The resources proposed reflect a reduction of $21,146,500, or 10.7 per cent, compared with the apportionment for 2005/06. Most of the decrease relates to lower resource requirements under petrol, oil and lubricants owing to the reduction in the number

of helicopters from 37, used in the computations for 2005/06, to the 27 proposed for 2006/07, as well as the reconfiguration of the fixed-wing aircraft fleet to increase efficiency and effectiveness, thereby reducing fuel consumption and overcoming limitations related to several runways that do not have landing capacity for larger aeroplanes. The decrease in the requirements also reflects a reduction of insurance premium rates compared with the previous budget period.

Ground transportation

74. The proposed requirements for ground transportation of $44,562,200 reflect a decrease of $32,468,800 (42.2 per cent) compared with the apportionment for 2005/06. The decrease in the provision is due mostly to reduced requirements under the acquisition of vehicles, as major acquisitions were provided for in the 2004/05 and 2005/06 budget periods under spare parts and insurance.

75. The provision for workshop equipment is proposed to increase from $115,000 to $2,300,000 in view of the need to acquire two fully self-contained workshop equipment packages to equip the Mission's workshops and improve maintenance of the vehicle fleet, as road conditions are extremely difficult and there is severe limitation of local contractors to undertake the volume or type of repairs demanded by UNMIS. Two workshops will be located in the logistics bases in Juba and El Obeid in addition to the one in Khartoum.

Naval transportation

76. Requirements of $7,424,200 are indicated under naval transportation (an increase of $7,226,200 compared with the resources of $198,000 provided for 2005/06) owing in large part to the acquisition of eight barges for transporting United Nations-owned and contingent-owned equipment. The Advisory Committee was informed that the increase is proposed on the basis of a cost benefit review of the current operations for the movement of such equipment, and that it was determined that efficiency gains of approximately $1 million could be realized annually by substituting the use of air assets with naval transportation for this purpose. **The Committee welcomes this proposal, noting that riverine operations are significantly cheaper than air operations and constitute a more effective means of transport in view of the lack of road infrastructure available in southern Sudan, in particular.**

Communications and information technology

77. The resources proposed for communications and information technology in the Secretary-General's report (A/60/726 and Corr.1) amount to $37,128,300 and $17,293,200 for 2006/07, reflecting a decrease of $8,406,700 (18.5 per cent) and an increase of $3,861,900 (28.8 per cent), respectively, compared with the provisions for 2005/06. The Committee notes that the increase in information technology requirements is due to the provision, under services, for 28 additional international contractors owing to difficulties in finding and hiring qualified national staff in this area. The increase also reflects the full deployment of personnel and the addition of eight temporary team sites, as well as the related acquisition of equipment, in particular that related to the support of the establishment of the disaster recovery system at two locations, the provision of additional connectivity to all team sites and camps set up by troop-contributing countries, and the provision of support for the

CarLog/fuel log systems, in line with the Board of Auditors recommendation (see A/60/5, vol. II, para. 218). **In view of the recommendations of the Advisory Committee on the staffing proposals of UNMIS in paragraphs 37-67 above, the requirements for information technology should be reduced by $9,100.**

78. The decrease in resources under communications is related primarily to the fact that most of the major acquisitions required for communications and public information were provided for in the 2004/05 and 2005/06 budget periods.

Disarmament, demobilization and reintegration

79. The Advisory Committee referred to the disarmament, demobilization and reintegration programme of UNMIS in its report on the financing of UNMIS for the period 1 July 2004 to 30 June 2006 (see A/60/428, paras. 39-45). The most recent reports of the Secretary-General to the Security Council provide information on the activities of the Mission in this regard (see S/2005/821 and S/2006/160). The Committee notes that the National Council for Disarmament, Demobilization and Reintegration Coordination and the Disarmament, Demobilization and Reintegration Commission for Northern Sudan were only established in February 2006 by President Al-Bashir. The Government of Southern Sudan has yet to do the same. The Secretary-General has indicated the need for UNMIS to play an augmented role in the eventual downsizing and/or voluntary demobilization of considerable numbers of ex-combatants beyond what is stated in the Comprehensive Peace Agreement. This augmented role is required in light of the limited capacities of the parties, the close link between the disarmament, demobilization and reintegration programme and the UNMIS mandate to support the peace process, as well as the Mission's experience in planning and supporting the current programme with the parties (see S/2006/160, para. 44).

80. The Advisory Committee notes that expected accomplishment 4.2 and its related outputs relate to the disarmament, demobilization and reintegration programme of UNMIS for 2006/07; information is also provided in paragraphs 15 and 16 of the budget document (A/60/726 and Corr.1). The operational requirements for the disarmament, demobilization and reintegration activities of UNMIS for 2006/07, included under other services, supplies and equipment, are estimated at $49,775,000 and budgeted at $550 per person for the voluntary demobilization of 85,000 members of other armed groups and 5,500 members of special groups (women and the disabled). In addition, as shown in table 5 of the budget document (A/60/726 and Corr.1), the staffing resources of the Disarmament, Demobilization and Reintegration Section include 122 posts at the same level proposed for 2005/06 (18 posts at Mission headquarters and 104 in the field offices).

81. The Advisory Committee recalls that the requirements included for disarmament, demobilization and reintegration in the 2005/06 budget amounted to $12,000,000, budgeted at $800 per person to disarm and demobilize 5,000 members of special groups and 10,000 members of other armed groups. Upon enquiry, the Committee was informed that the decrease in the per person costs for 2006/07 is explained in terms of the decrease in capital costs related to the establishment of offices, registration and management information equipment included in the costs for the 2005/06 period. The direct operational costs included in the 2006/07 budget therefore reflect the recurrent costs for the maintenance of offices, equipment and additional registration desks required for the increased caseload.

82. Upon enquiry, the Advisory Committee was also informed that the average cost of $550 per person is based on the following:

Item	*Average cost estimate*
Registration and screening	
Direct operational costs	$65
Transitional support	
Transitional support package	$180 ($175 and $185 for men and women respectively)
Transportation and resettlement subsidy	$125 (range between $120-$130, depending on distance area)
Reinsertion support	
Medical assistance and advisory (Screening and counselling, referral for treatment/ rehabilitation)	$150 (range between $135-$160, depending on services needed)
Basic counselling and reorientation (Psycho-social counselling, civilian reintegration orientation/advisory and counselling)	$30 (range $25-$35, depending on services needed)
Total	**$550**

83. The Committee further notes that donor contributions to the disarmament, demobilization and reintegration programme to date include $500,000 from the Government of Canada, $6.88 million from the Government of Japan and £2 million from the United Kingdom of Great Britain and Northern Ireland. The Secretary-General, while welcoming those donations, has indicated that more support is required for the interim programme (S/2006/160, para. 43).

Mine action

84. The Advisory Committee notes that the provision for mine detection and clearing services for 2006/07, under other supplies, service and equipment, is proposed at $38,888,500, compared with the amount of $18,428,900 for the period 2005/06. The Committee referred to the United Nations comprehensive programme for mine action activities in the Sudan in its report on the 2005/06 budget (see A/60/428, para. 46). The increase in the provision for 2006/07 reflects the need to enhance coordination, the provision of technical advice and operational demining in support of the full deployment and expansion of the Mission in the regions, and the increased level of activities on the ground, including associated humanitarian demining, as required.

85. The Advisory Committee recalls that mine action services are outsourced by the Mission to UNOPS. The Committee was informed that related staff resources, amounting to $6,331,000, provide for 38 positions (an increase of 10 compared with 2005/06) to manage and coordinate, task and monitor not only the operational demining activities to be undertaken within the proposed resources of $38.9 million but also the five troop-contributing countries' military demining companies of

UNMIS. The structure of the mine action programme includes a headquarters in Khartoum, which supervises two regional offices: a northern regional office in Kadugli, which supervises sub-offices in Ed Damazine, Darfur and Kassala, and a southern field office in Juba, which supervises sub-offices in Rumbek, Wau and Malakal.

86. The Advisory Committee was also informed that the planned budget of the comprehensive programme for mine action activities in the Sudan, excluding the UNMIS resources provided in the budget, to be implemented by the United Nations Mine Action Service, UNHCR, the World Food Programme, the United Nations Children's Fund and the United Nations Development Programme for the period from 1 January to 31 December 2006, amounts to $54 million; a similar amount is planned for 2007.

Other comments and observations

87. Total training requirements for the period from 1 July 2006 to 30 June 2007 amount to $2,891,200, compared with the amount of $3,541,400, which was included for 2005/06 (A/60/190, paras. 8-9). The reduction is due mostly to a decrease in training-related travel, as more in-house training or regional training will take place, as has been requested by the Committee (A/60/428, para. 47). The Advisory Committee further notes that besides the Mission-wide mandatory training needs and in view of the inability of UNMIS to recruit national staff in technical and administrative positions, the Mission has embarked on a project of capacity-building of the southern Sudanese by forming a trained pool of technicians sufficiently qualified for service within the Mission who will subsequently be able to contribute to the community (see A/60/726, paras. 13 and 14; and paras. 35 and 61 above).

88. A provision for $2,000,000 for quick-impact projects is included in the budget for 2006/07 at the same level as for 2005/06. The Advisory Committee recalls that resources amounting to $100,000 were included for 2004/05. As indicated in the performance report, the provision was not spent owing to the delay in the deployment of civil and humanitarian affairs personnel, who are responsible for the identification, nomination and selection of projects in the regions; hence, no projects were identified during the reporting period. The Committee was further informed that once identified and approved, project implementation is done through the substantive offices. As for the 2005/06 budget period, the Committee notes that, as at 30 April 2006, an amount of $83,000 had been spent and that an additional amount of $917,000 is projected for expenditure up to 30 June 2006. Savings at the end of the 2005/06 period would therefore approximate $1 million.

89. The Advisory Committee recalls that in its report, the Panel on United Nations Peace Operations called for the funding of quick-impact projects in a mission's first year budget (see A/55/305-S/2000/809, para. 47 (a)). The General Assembly, in its resolution 58/315, endorsed the recommendation of the Special Committee on Peacekeeping Operations that resources for such projects be made available through the second year as well, provided they remain in direct support of the mission's mandate and either respond to needs not covered by existing development and humanitarian assistance efforts or serve as catalyst to broaden those efforts (see A/58/19, para. 91). Exceptions have been made in numerous cases. However, the General Assembly, in section VII of its resolution 59/296, requested the Secretary-General to streamline the process of implementation of quick-impact projects and to

ensure that they are fully implemented within the time frames. **The Advisory Committee is of the view that it is for the General Assembly to decide whether it wishes to change the policy regarding quick-impact projects or to grant an exception in this case (see also A/60/852, para. 44).**

V. Conclusion

90. The action to be taken by the General Assembly in connection with the financing of UNMIS for the period from 1 July 2004 to 30 June 2005 is indicated in paragraph 24 of the Secretary-General's report (A/60/626). **The Advisory Committee recommends that the loss of $362,000 on interest income be applied to the unencumbered balance of $3,166,000 with respect to the period from 1 July 2004 to 30 June 2005 (see para. 12 above). The remaining unencumbered balance of $2,804,000 should be credited to Member States in a manner to be determined by the General Assembly.**

91. The action to be taken by the General Assembly in connection with the financing of UNMIS for the period from 1 July 2006 to 30 June 2007 is indicated in paragraph 38 of the Secretary-General's report (A/60/726 and Corr.1). **The Committee recommends the appropriation of an amount of $1,081,065,000 for the maintenance of the Mission for the period from 1 July 2006 to 30 June 2007.**

Documentation

Performance report on the budget of the United Nations Mission in the Sudan for the period from 1 July 2004 to 30 June 2005 (A/60/626)

Budget for the United Nations Mission in the Sudan for the period from 1 July 2006 to 30 June 2007 (A/60/726 and Corr.1)

Report of the Advisory Committee on Administrative and Budgetary Questions on the budget of the United Nations Mission in the Sudan for the period from 1 July 2004 to 30 June 2006 (A/60/428)

General Assembly resolution 60/122

Reports of the Secretary-General on the Sudan (S/2005/821 and S/2006/160)

Security Council resolutions 1663 (2006) and 1679 (2006)

Annex I

Deployment for the period from 1 July 2005 to 30 June 2006
(Updated as at 3 May 2006)

	Actual deployment									*Advance*	*Forecast*		
	31 July	*31 Aug*	*30 Sep*	*31 Oct*	*30 Nov*	*31 Dec*	*31 Jan*	*28 Feb*	*31 Mar*	*30 Apr*	*31 May*	*30 Jun*	*Average*
Military and police personnel													
Military observers	146	148	172	229	373	467	593	629	628	635	697	750	456
Budgeted	146	148	153	213	273	333	393	453	513	750	750	750	406
	—	—	(12.4)	(7.5)	(36.6)	(40.2)	(50.9)	(38.9)	(22.4)	15.3	7.1	—	(12.1)
Military contingents	1 077	2 008	2 373	3 567	3 815	4 034	5 344	7 059	7 215	8 035	8 938	8 938	5 200
Budgeted	1 077	2 008	2 832	4 393	6 250	9 250	9 250	9 250	9 250	9 250	9 250	9 250	6 776
Vacancy rate percentage	—	—	16.2	18.8	39.0	56.4	42.2	23.7	22.0	13.1	3.4	3.4	23.3
Civilian police	69	80	105	164	212	282	345	460	553	582	663	715	353
Budgeted	69	80	131	191	251	347	443	539	635	699	715	715	401
Vacancy rate percentage	—	—	19.8	14.1	15.5	18.7	22.1	14.7	12.9	16.7	7.3	—	12.1
Formed police units	—	—	—	—	—	—	—	—	—	—	—	—	—
Budgeted	—	—	—	—	—	—	—	—	—	—	—	—	—
Vacancy rate percentage	—	—	—	—	—	—	—	—	—	—	—	—	—
Total, military and police personnel	**1 292**	**2 236**	**2 650**	**3 960**	**4 400**	**4 783**	**6 282**	**8 148**	**8 396**	**9 252**	**10 298**	**10 403**	**6 008**
Authorized	1 292	2 236	3 116	4 797	6 774	9 930	10 086	10 242	10 398	10 699	10 715	10 715	7 583
Vacancy rate percentage	—	—	15.0	17.4	35.0	51.8	37.7	20.4	19.3	13.5	3.9	2.9	20.8
International staff	365	398	406	414	446	495	549	597	630	648	700	750	533
Budgeted	365	398	452	542	620	649	679	709	739	768	798	1 053	648
Vacancy rate percentage	—	—	10.2	23.6	28.1	23.7	19.1	15.8	14.7	15.6	12.3	28.8	17.7
National Professional staff	17	19	27	34	47	50	52	57	60	68	105	120	55
Budgeted	17	19	25	80	92	94	106	118	130	142	154	264	103
Vacancy rate percentage	—	—	(8.0)	57.5	48.9	46.8	50.9	51.7	53.8	52.1	31.8	54.5	47.1
National General service staff	589	680	708	815	934	881	929	1 016	1 118	1 188	1 350	1 450	972
Budgeted	589	680	771	1 015	1 174	1 250	1 280	1 410	1 570	1 700	1 830	2 426	1 308
Vacancy rate percentage	—	—	8.2	19.7	20.4	29.5	27.4	27.9	28.8	30.1	26.2	40.2	25.7

	Actual deployment									Advance	Forecast		
	31 July	*31 Aug*	*30 Sep*	*31 Oct*	*30 Nov*	*31 Dec*	*31 Jan*	*28 Feb*	*31 Mar*	*30 Apr*	*31 May*	*30 Jun*	*Average*
International United Nations Volunteers	48	52	64	66	67	71	85	90	94	99	120	130	82
Budgeted	48	52	70	130	150	151	151	151	151	151	151	151	126
Vacancy rate percentage	—	—	8.6	49.2	55.3	53.0	43.7	40.4	37.7	34.4	20.5	13.9	34.6
National United Nations Volunteers	—	—	—	—	—	—	—	—	—	—	30	40	6
Budgeted	—	—	15	55	55	55	57	57	57	57	57	57	44
Vacancy rate percentage	—	—	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	47.4	29.8	86.6
Total, civilian personnel	**1 019**	**1 149**	**1 205**	**1 329**	**1 494**	**1 497**	**1 615**	**1 760**	**1 902**	**2 003**	**2 275**	**2 450**	**1 642**
Authorized	**1 019**	**1 149**	**1 318**	**1 767**	**2 036**	**2 144**	**2 216**	**2 388**	**2 590**	**2 761**	**2 933**	**3 894**	**2 185**
Vacancy rate percentage	—	—	8.6	24.8	26.6	30.2	27.1	26.3	26.6	27.5	22.4	37.1	24.9

Annex II

Current and projected expenditures for the period from 1 July 2005 to 30 June 2006

	Status as at 30 April 2006		*Projected*			
	Apportionment (A)	*Expenditure*[a] (B)	*Projections for 30 June 2006* (C)	*Estimated unencumbered balance as at 30 June 2006* (D) = (A-B-C)	*Percentage*	*Reasons for savings*
Military and police personnel						
Military observers	9 836	14 193	5 552	(9 910)		Increased requirements are the result of payment of mission subsistence allowance to military observers, police personnel and staff officers at standard rate instead of budgeted reduced rate owing to delays in construction of proposed camps. Overrun is partly offset by savings under contingents owing to the late arrival of troops.
Military contingents	225 767	180 216	39 658	5 893		
United Nations police	8 880	11 194	5 236	(7 550)		
Formed police units	0	0	0	0		
Subtotal	**244 483**	**205 603**	**50 447**	**(11 567)**	**(5)**	
Civilian personnel						
International staff	73 256	58 169	16 553	(1 466)		Savings resulting from lower post incumbency are offset by payment of mission subsistence allowance to international staff at the standard rate instead of the budgeted reduced rate owing to delays in the construction of proposed camps.
National staff	13 167	8 456	2 965	1 746		
United Nations Volunteers	5 240	2 703	1 090	1 447		
Subtotal	**91 663**	**69 327**	**20 609**	**1 728**	**2**	
Operational costs						Various factors resulting in savings are:
General temporary assistance	2 209	1 863	1 286	(941)		(a) Lower requirements under fuel and self-sustainment due to delayed arrival of troops and contingent-owned equipment;
Government-provided personnel	0	0	0	0		
Civilian electoral observers	0	0	0	0		
Consultants	612	133	167	312		
Official travel	4 343	4 152	1 902	(1 711)		(b) Transfer of vehicles from liquidating missions;
Facilities and infrastructure	229 919	118 571	105 545	5 803		
Ground transportation	77 031	25 582	39 874	11 575		(c) Reduced flying hours and fuel costs resulting from delayed deployment of troops;
Air transportation	198 170	128 873	29 832	39 466		
Naval transportation	198	0	17	181		(d) Delays in implementation of the disarmament, demobilization and reintegration programme.
Communications	45 535	17 219	22 948	5 367		

	Status as at 30 April 2006		*Projected*			
	Apportionment (A)	*Expenditure* (B)	*Projections for 30 June 2006* (C)	*Estimated unencumbered balance as at 30 June 2006* (D)	(A-B-C)	*Percentage*	*Reasons for savings*
Information technology	13 431	10 099	4 223	(891)			
Medical	9 950	8 249	826	876			
Special equipment	3 402	2 503	318	581			
Miscellaneous supplies, services and equipment	46 523	19 708	13 751	13 063			
Quick-impact projects	2 000	83	917	1 000			
Subtotal	**633 322**	**337 033**	**221 608**	**74 681**		**12**	
Total	**969 469**	**611 963**	**292 663**	**64 843**		**7**	

[a] Pre-encumbrance not included in total expenditures.

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Financing of the United Nations Stabilization Mission in Haiti

Proposed budget of the United Nations Stabilization Mission in Haiti for the period from 1 July 2006 to 30 June 2007

Report of the Advisory Committee on Administrative and Budgetary Questions

Appropriation 2004/05	$379,046,800
Expenditure 2004/05	$377,235,300
Appropriation 2005/06	$516,488,500
Proposal submitted by the Secretary-General 2006/07	$490,636,200
Recommendation of the Advisory Committee 2006/07	$490,250,900

I. Introduction

1. **The recommendations of the Advisory Committee on Administrative and Budgetary Questions in paragraphs 27, 55 and 56 below would entail a reduction of $385,300 in the proposed budget for the United Nations Stabilization Mission in Haiti (MINUSTAH) for the period from 1 July 2006 to 30 June 2007. The Advisory Committee makes a number of observations and recommendations with regard to the administration and management of the Mission and opportunities for further savings.**

2. The Advisory Committee's general report on administrative and budgetary aspects of peacekeeping operations will contain its views and recommendations on a number of cross-cutting issues. In the paragraphs below, the Committee deals with resources and other items that relate specifically to MINUSTAH.

3. The documents used by the Advisory Committee in its consideration of the financing of MINUSTAH are listed at the end of the present report.

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II. Financial performance for the period from 1 July 2004 to 30 June 2005

4. The General Assembly, by its resolution 59/17 A of 29 October 2004, appropriated the amount of $379,046,800 gross ($372,790,100 net) for the period from 1 July 2004 to 30 June 2005, inclusive of the amount of $172,480,500 gross ($170,595,500 net) previously authorized by the Assembly in its resolution 58/311 of 18 June 2004 for the period from 1 July to 31 October 2004. The total amount of the appropriation has been assessed on Member States.

5. Expenditure for the maintenance of the Mission for the period totalled $377,235,300 gross ($371,888,000 net); the resulting unencumbered balance of $1,811,500 represents, in gross terms, 0.5 per cent of the total appropriation.

6. The Mission's unutilized balance of $1,811,500 is the net effect of savings and additional requirements under various line items. Savings were attributable to reduced expenditures for military contingents owing to a higher delayed deployment rate, lower travel costs for troops and more favourable contract costs for rations. With regard to the latter, the Committee notes from the supplementary information provided to it that $8.40 per person per day was budgeted for rations but that the actual cost was $5.20; also, an amount of $2.55 per person per day was budgeted for potable water but that the actual cost was $1.50. Further savings were achieved for international staff since some posts were encumbered at lower grades than budgeted for and more than the estimated 70 per cent of staff were hired as mission appointees.

7. Savings were also reported for operational requirements, such as the acquisition of refrigeration equipment which was provided by the rations contractor, and for the acquisition of water purification equipment since existing water tanks and cisterns were used for the Mission's camps. Lower expenditures were also achieved in petrol, oil and lubricants since power was provided by an outsourced service provider instead of United Nations-owned generators. Also, no marine vessels were procured because a turnkey contract was established for coastal freight operations for supply transport. Finally, fewer flight hours were logged since air support required low-altitude flights which could not be provided by the Mission's helicopters.

8. Cost overruns were incurred for military contingents because the Mission was unable to provide catering services for staff officers who were paid a partial mission subsistence allowance (the budget provided for only six months of mission subsistence allowance for staff officers). With regard to freight and the deployment of contingent-owned equipment, additional requirements emanated from the need for rapid airlifting of equipment in the light of the deteriorating security situation. The budget had provided for sea transport which, had circumstances so allowed, would have been more economical. Additional requirements were incurred in regard to civilian police as a result of a lower actual vacancy rate of 32 per cent compared to the budgeted rate of 40 per cent, and for formed police units as a result of a lower delayed deployment rate of 21 per cent compared to the budgeted 30 per cent rate. The approval to extend the hazardous duty station allowance for all Mission locations in the country also resulted in additional requirements, as did lower vacancy rates of national staff and United Nations Volunteers.

9. In regard to operational costs, additional expenditures were incurred in connection with the hiring of interpreters under general temporary assistance, with higher travel expenditures and with higher maintenance costs due to the poor condition of government-provided premises. Finally, cost overruns were shown because of the delay, from the previous period, in the acquisition of vehicles and the acquisition of information technology equipment in connection with the establishment of 10 remote sites.

10. With regard to Hurricane Jeanne which occurred during September 2004, the Advisory Committee recalled in its report on the proposed budget for MINUSTAH for the period from 1 July 2005 to 30 June 2006 that a reduction of $9,312,400 was possible; however in view of the significant impact of the hurricane on the facilities and infrastructure of the Mission, it recommended the appropriation of the full amount of $379,046,800 proposed by the Secretary-General for the 2004/05 budget period (A/59/736/Add.13, para. 51). This amount was inclusive of a commitment authority for the period from 1 May to 30 June 2004. Based on this recommendation, the General Assembly, in paragraph 16 of its resolution 59/17 of 29 October 2004, subsequently decided to appropriate the full amount. The Committee notes that a total of $1,811,500 in overall savings was reported for the 2004/05 budget period, whereas total expenditures related to the hurricane amounted to $1,006,600, as explained below.

11. Upon request, the Committee was provided with information on the Mission's expenditures during the Gonaïves floods caused by Hurricane Jeanne. Total expenditure of $1,006,600 comprised: (a) generator rental for civilian police ($20,000); (b) acquisition of water and septic tanks ($25,000); (c) construction services ($185,000); (d) fuel consumption ($70,000); (e) air operations, including an additional 267 flight hours ($683,500); and (f) pending claims and adjustments for the loss of personnel effects ($23,100).

12. The comments of the Advisory Committee on the individual expenditure objects contained in the performance report can be found in section IV below, which reflects its discussion of the proposed budget for the period from 1 July 2006 to 30 June 2007.

13. The Secretary-General, in his report on liabilities and proposed funding for after-service health insurance (A/60/450 and Corr.1), proposed a number of measures that need to be taken to fund and account for the accrued liabilities for after-service health insurance benefits. The measures provide, inter alia, for the transfer of $250 million from unencumbered balances and savings on, or cancellation of prior period's obligations of, active peacekeeping missions as at the end of the 2005 fiscal year. **Depending on what the General Assembly may decide, there may be a consequential impact on the financing of MINUSTAH and other peacekeeping operations.**

III. Information on performance for the current period

14. The Advisory Committee was informed that, as at 31 December 2005, a total of $585,519,000 had been assessed on Member States with respect to MINUSTAH since its inception. Payments received as at the same date amounted to $446,107,000, leaving an outstanding balance of $139,412,000. As at 31 March 2006, the cash position of the Mission was $233,600,000 and unliquidated

obligations for the period from 1 July 2004 to 30 June 2005 amounted to $27,979,000.

15. The Advisory Committee was also informed that reimbursement of the costs of troop and formed police units up to 31 January 2006 totalled $116,244,876 while the amount owed for the period from 1 February to 31 March 2006 was $19,220,763. With regard to contingent-owned equipment, the Committee was informed that, as at 31 March 2006, an amount of $59,616,087 had been reimbursed and the estimated amount owed was $34,944,933, while unliquidated obligations for the period ending 30 June 2006 totalled $55,430,284. Since the inception of MINUSTAH and as at 31 March 2006, $555,000 had been paid in respect of death and disability compensation for three claims; unliquidated obligations amounted to $680,000. **The Committee trusts that the outstanding claims will be settled expeditiously.**

16. The Advisory Committee was informed that, as at 30 April 2006, the incumbency of MINUSTAH for the period from 1 July 2005 to 30 June 2006 was as follows:

Category	*Posts authorized*	*Posts encumbered*	*Vacancy delayed deployment rate (percentage)*
Military contingent personnel	7 500	7 052	6.0
United Nations police	897	711	20.7
Formed police units	1 000	994	0.6
International staff[a]	483	434	10.1
National staff[a, b]	621	536	13.6
United Nations Volunteers[a]	179	171	4.4

[a] Does not include positions funded under general temporary assistance (23 international, 33 national and 18 United Nations Volunteer positions) for 2005/06.

[b] Including national officers and national General Service personnel.

17. The Advisory Committee was provided with current and projected expenditure data for the period from 1 July 2005 to 30 June 2006 (see annex I). Expenditures as at 30 April 2006 amounted to $419,414,613 gross ($412,456,811 net), against an apportionment of $516,488,500 gross ($506,253,200 net).

18. The expenditure data provided include projected expenditure data up to June 2006. The Committee notes that noticeably high unencumbered balances are estimated in some areas: for example, for military and police personnel, an estimated unencumbered balance of $22,121,550 would remain as at 30 June 2006 and for operational costs an estimated balance of $7,547,522. **It thus appears that large savings are anticipated for the 2005/06 period. The Committee notes the explanation provided for variances and trusts that, in view of anticipated savings, the Mission will continue to refine budgetary assumptions. In this regard, closer scrutiny by the Mission and by Headquarters of expenditure patterns for the current period is required.**

19. The Advisory Committee notes the vacancy rates for international staff (10.1 per cent), national staff (13.6 per cent) and United Nations Volunteers (4.4 per cent) during the current period.

IV. Proposed budget for the period from 1 July 2006 to 30 June 2007

A. Mandate and planned results

20. In its resolution 1658 (2006) of 14 February 2006, the Security Council decided to extend the mandate of MINUSTAH, as contained in resolutions 1608 (2005) of 22 June 2005 and 1542 (2004) of 30 April 2004, until 15 August 2006, with the intention to renew for further periods. In the same resolution, the Security Council requested the Secretary-General to report to it as soon as possible after the conclusion of Haiti's electoral process and, drawing as appropriate on consultations with the elected Government of Haiti, on whether to restructure the Mission's mandate. The Advisory Committee was informed by the Mission that, in response to the request by the Council for a review of the Mission's post-electoral role, an assessment would be undertaken jointly by Headquarters and the Mission. A team would travel to Haiti in June and the review completed in July 2006.

21. With regard to the results-based budgeting framework, the Committee notes that the budget document indicates that the presentation of expected accomplishments was changed to reflect the Mission's focus in the political and security fields and that total resource requirements continue to be linked to the Mission's objective through five components within the result-based budgeting framework: democratic development and consolidation of State authority; security, public order and development of the rule of law; human rights; humanitarian and development coordination; and support. **The Advisory Committee notes the overall improvement made in the presentation of expected accomplishments, indicators of achievement and outputs, and trusts that further refinements will continue to be made.**

B. Resource requirements

1. Military and civilian police personnel

Category	*Approved 2005/06*	*Proposed 2006/07*	*Variance*
Military contingents[a]	7 500	7 500	—
Civilian police[a]	897	897	—
Formed police units[a]	1 000	1 000	—

[a] Includes temporary military and police personnel during the electoral period.

22. The proposed budget for the period 2006/07 for military and police personnel amounts to $266,016,200 reflecting a reduction of $8,781,700, or 3.2 per cent. The sum of the overall reduced requirements is a combination of anticipated increases and decreases under various budget line items, as noted from supplementary information provided to the Committee. Increased requirements are expected for: (a) standard troop cost reimbursement and contingent-owned equipment, due to a higher average monthly troop strength as the 7,500 military personnel would be fully deployed as at 1 July 2006; (b) mission subsistence allowance for civilian police, due to an increase in mission subsistence allowance rates; and (c) formed

police units cost reimbursement as the 1,000 personnel would be fully deployed as at 1 July 2006. Reduced requirements are expected for freight for contingent-owned equipment owing to the completion of the deployment phase for both military contingents and formed police units.

23. The Advisory Committee notes from supplementary information provided to it that substantially reduced requirements are expected in respect of rations owing to the decrease in contractual costs from $6.50 per person per day to $5.20 per person per day, representing a reduction from the cost of $8.40 per person per day during the 2004/05 budget period (see A/59/736/Add.13). **The Advisory Committee welcomes this reduction which has resulted in cost savings to the Organization but trusts that efforts to achieve savings will not compromise quality control standards.**

2. Civilian personnel

Category	*Approved 2005/06*	*Proposed 2006/07*	*Variance*
International staff[a]	483	489	6
National staff[c]	621[a]	1 041[b]	420
United Nations Volunteers	179[a]	172[b]	7

[a] Does not include positions funded under general temporary assistance (23 international, 33 national and 18 United Nations Volunteer positions) for 2005/06.

[b] Does not include positions funded under general temporary assistance (22 international, 32 national and 17 United Nations Volunteer positions) for 2006/07.

[c] Includes national officers and national General Service personnel.

General comments

24. The proposed budget for civilian personnel for the period 2006/07 amounts to $101,165,000, reflecting an increase of $11,289,600, or 12.6 per cent. The Advisory Committee notes that the Mission continues to review requirements and grades of posts and is proposing, for the 2006/07 budget period, to abolish one international post (P-4) and to reclassify three posts (P-5) to lower grade levels (two P-3 and one P-4) (A/60/728, para. 6). **The Committee welcomes these efforts and trusts that the requirements for posts and their grades will be kept under review so as to achieve further economies.**

25. The Committee inquired into the progress made with regard to the recruitment of francophone personnel. The Committee was informed that the Department of Peacekeeping Operations had adopted a four-pronged strategy to meet the needs for francophone candidates for civilian positions in peacekeeping operations, including MINUSTAH, namely: (a) establishment of a French version of the United Nations peacekeeping segment of the Galaxy website and posting of vacancies in both English and French; (b) development of a recruitment and outreach team that uses the working languages of the United Nations; (c) introduction of proactive outreach strategies, including partnerships with Member States, governmental and non-governmental organizations, as well as others, to identify francophone candidates, and of targeted advertising in regional and international publications; and (d) on-site recruitment campaigns for francophone countries. **The Advisory Committee encourages the efforts under way and will continue to follow up on this matter.**

Recommendations on posts

26. *Establishment of one P-3 post of Administrative Officer in the Office of the Special Representative of the Secretary-General (A/60/728, para. 9).* The post is proposed to assist the Chief of Staff in the overall management of a newly established Mission coordination team comprised of members of 12 Mission sections and units; the Committee notes that the team is not indicated in the organizational chart as it is not a formal unit or section but rather a standing team of members from various Mission areas. The proposed Administrative Officer would coordinate the preparation of meetings of the team, assist in its tasking and in the regular assessment of the achievements of Mission components and in ensuring the implementation of policy directives.

27. **The Advisory Committee notes that the functions of the proposed P-3 post of Administrative Officer appear to be identical to many of the functions of the D-1 post of Director in the Office of the Special Representative of the Secretary-General, who also acts as Chief of Staff. The Committee notes that, at the time of re-justification of the D-1 post, its functions included monitoring the work of the Mission, liaison with the heads of the sections reporting directly to the Special Representative of the Secretary-General, ensuring the coordination and integration of their work and advising on ways to strengthen coordination and the consultative process within the Mission; the incumbent was also to act as the focal point for communication between the Special Representative and Headquarters in New York and supervise the Spokesperson (A/59/736/Add.13, para. 22). In the opinion of the Committee, no convincing evidence was presented as to why the Chief of Staff would require assistance in coordinating and monitoring of implementation, particularly since the Mission had been established for some time. The Advisory Committee therefore does not recommend approval of the establishment of the P-3 post of Administrative Officer.**

28. *Reclassification from the P-5 to the P-3 level of two posts of Head of Regional Office in the Civil Affairs Section, component 1, democratic development and consolidation of State authority (A/60/728, table 2, first bullet).* As indicated in the budget document, the downward reclassification is proposed following the completion of the national electoral process. **The Advisory Committee recommends approval of the downward reclassification of these posts.**

29. *Establishment of seven international posts at the P-3 level for one Radio Producer, one Video Producer, one Public Outreach and Advocacy Officer, three Public Information Officers and one Field Service post for a Technician in the Communications and Public Information Section, component 1, democratic development and consolidation of state authority (A/60/728, table 2, first bullet).* The new posts are proposed in view of the planned increase of outreach programmes and the creation of multimedia centres in each of Haiti's 10 provinces; the three Public Outreach and Advocacy Officers would coordinate the centres and related technical support would be provided by one Technician. The Mission also intends to establish its own radio station and increase the video production of programmes to be aired on national television; one Radio Producer and one Video Producer would be required in view of increased radio and video production. Two Public Information Officers are proposed for two regions which currently do not have staff in this function, and one additional Public Information Officer is proposed to

strengthen the Les Cayes region in which the third largest city in the country is located. **The Committee has no objection to the establishment of the seven international posts but, in view of its comments in paragraphs 65 to 67 below, expects that the posts relating directly to the multimedia centres will be filled in a phased manner and will be re-justified for the 2007/08 budget period.** The Advisory Committee comments further on the establishment of the multimedia centres and the radio station below.

30. *Establishment of 20 posts of Public Information Assistant (national General Service) in the Communications and Public Information Section, component 1, democratic development and consolidation of State authority (A/60/728, table 2, second bullet).* As indicated in the budget document, the posts are proposed to ensure the daily (seven days a week) operation of the multimedia centres by providing assistance, for example, in the operation of equipment, the planning and organizing of media and public outreach activities and the dissemination of public information materials. **The Advisory Committee recommends acceptance of these posts. However, in view of its comments on the establishment of multimedia centres below, the Committee expects that the posts will be filled in a phased manner and will be re-justified for the 2007/08 budget period.**

31. *Establishment of one United Nations Volunteer position of Photographer in the Communications and Public Information Section, component 1, democratic development and consolidation of State authority (A/60/728, table 2, third bullet).* The position is proposed to ensure photographic coverage of Mission events and the production of photographs for the Mission's newsletter, monthly bulletin and other materials. **The Advisory Committee recommends approval of the establishment of the position.**

32. *Establishment of three posts of National Officer (one Civic Education and Training Adviser and two Legal Advisers) in the Electoral Assistance Section, component 1, democratic development and consolidation of State authority (A/60/728, table 2, second bullet).* The three posts are proposed in view of the establishment of the new Parliament, a Permanent Electoral Council and a civic education and training department:

(a) The Civic Education and Training Adviser would provide civic education expertise and training to support capacity-building of civil society, political parties and newly elected officials and provide support for the organization of workshops for 30 newly elected senators and 99 newly elected parliamentarians, for local governance and for civil society groups and political parties.

(b) The two Legal Advisers (one on constitutional law and one on administrative law) would provide legal expertise on national constitutional, administrative, civil and electoral laws and expertise on decentralization issues and the parliamentary process. Further, they would support the political transition and advise the newly elected Parliament and the new Permanent Electoral Council on the establishment of organic laws and rules, including a new electoral code, and train Haitian civil servants in regard to the new rules. They would also provide advice on the transfer of the registry of citizens to the future national identification office, on the second degree elections and on the planning of the legislative elections which are to take place in the next two years.

The Advisory Committee recommends the establishment of these three national posts.

33. *Abolition of 17 posts of Driver (national General Service staff) in the Electoral Assistance Section, component 1, democratic development and consolidation of State authority (A/60/728, table 2, second bullet).* The 17 posts of Driver were authorized until 31 March 2006 and are proposed for abolition following the completion of the national electoral process and the inauguration of the President of Haiti. **The Advisory Committee has no objection to the abolition of 17 posts of drivers.**

34. *Abolition of 14 United Nations Volunteer positions in the Electoral Assistance Section, component 1, democratic development and consolidation of State authority (A/60/728, table 2, third bullet).* The 14 positions have been authorized until 31 March 2006 and are proposed for abolition following the completion of the national electoral process and the inauguration of the President of Haiti. **The Advisory Committee recommends the abolition of 14 United Nations Volunteer positions.**

35. *Reclassification from the P-5 to the P-4 level of one post of Legal Affairs Officer in the Legal Affairs Section, component 2, security, public order and development of the rule of law (A/60/728, table 3, first bullet).* Upon enquiry, the Committee was informed by the Secretariat that the downward reclassification was proposed following the conclusion of the status-of-forces agreement and the resultant lower workload. Also, while the overall complexity of issues remained the same, the reclassification was part of a realignment of the structure of the legal team and one P-5 level Legal Officer would remain. **The Advisory Committee recommends approval of this downward reclassification.**

36. *Establishment of one National Officer post and one United Nations Volunteer position of Child Protection Adviser in the Child Protection Unit, component 3, human rights (A/60/728, table 4, first and second bullets).* The proposed two Child Protection Advisers would establish and manage a monitoring, reporting and compliance mechanism on children in armed conflict, set up and manage the secretariat of the mechanism, train partners in national institutions and in civil society in monitoring standards, vet information on violations, undertake advocacy to bring about compliance, and liaise with civil society networks. The national Child Protection Adviser will also contribute to the transfer of skills to civil society and building the capacity of national institutions. **The Advisory Committee recommends the establishment of one post and one United Nations Volunteer position of Child Protection Adviser.**

37. *Establishment of one P-3 level post of Environmental Officer and of one United Nations Volunteer position of Environmental Assistant in the General Services Section, component 5, support (A/60/728, table 6, first and third bullets).* The Environmental Officer would be responsible for implementing the environmental compliance programme of the Mission, provide guidance in regard to environmental standards, coordinate the Mission's activities related to environmental compliance, assess environmental conditions and implement monitoring and evaluation procedures, monitor the proper disposal of waste, prepare an environmental action plan, prepare reports on environmental compliance activities, and develop and implement training on compliance standards. The Environmental Assistant would provide related administrative and operational

support. Further, the Mission plans to establish an asset disposal and environmental protection unit which is to be placed within the General Services Section and would develop environment standard operational procedures. **The Advisory Committee recommends the establishment of one P-3 Environmental Officer post and one United Nations Volunteer position of Environmental Assistant.**

38. *Establishment of 350 posts of Interpreter (national General Service staff) in the General Services Section, component 5, support (A/60/728, table 6, second bullet).* The Committee notes that 220 interpreter positions, included in the budget for 2005/06 under contractual services, are now proposed for conversion and are included in the proposed 350 posts. The budget document indicates that the requirement for an additional 130 interpreters was due to a change in the military and police concept of operations with a view to promoting more community-based interaction with the population. A total of 150 interpreters would work with the military contingents, 180 with the United Nations police and 20 with the formed police units.

39. A provision of $2,488,700 was included in the budget for 2005/06 for operational costs under other supplies, services and equipment for the outsourcing of 220 interpreters at a cost of $943 per interpreter per month. A subsequent analysis, as indicated in the table provided by the Secretariat (see para. 40 below), showed that recruiting 350 interpreters as national staff at a grade of General Service 2/step 2 would result in a unit cost of $807 per interpreter per month. This amount would include the cost of five additional staff (three national General Service staff and two United Nations Volunteers) in the Finance, Personnel and General Services Sections (see paras. 42 and 43 below).

40. Below is a summary of the costs associated with the hiring of 350 interpreters and associated support staff:

Cost of hiring 350 interpreters as national staff at the General Service 2/2 level and the hiring of 5 support staff

Salary cost (local salary scale effective 1 June 2005)	226 330 gourdes per interpreter/year[a]
Salary cost (United States dollars)	$5 263.5 per interpreter per year
(a) **Total salary for 350 interpreters**	**$1 842 221**
(b) **Common staff cost at 25 per cent of net salary**	**$460 555**
Staff assessment (53,090 gourdes per interpreter per year) as per local salary scale effective 1 June 2005 (United States dollars)[a]	$1 234.65 per interpreter/year
(c) **Total staff assessment for 350 interpreters**	**$432 128**
Hazardous duty station allowance (64,666 gourdes per interpreter per year) (United States dollars)[a]	$1 503.88 per interpreter/year
(d) **Total hazardous duty station allowance for 350 interpreters**	**$526 357**
(e) **Total cost of 350 interpreters ((a)+(b)+(c)+(d))**	**$3 261 261**

Cost of hiring 350 interpreters as national staff at the General Service 2 2 level and the hiring of 5 support staff

Cost of 3 support staff (national General Service staff)[b]	$27 954
Cost of 2 support staff (United Nations Volunteers)[b]	$100 470
(f) Total cost of 5 support staff[b]	**$128 424**
(g) Total cost of hiring 350 interpreters as national staff ((e)+(f))	**$3 389 685**
Total cost per interpreter per month (5 support staff plus 350 interpreters/12)	**$807**

[a] Exchange rate at time of budget preparation: 1 United States dollar = 43 gourdes.
[b] For details on the proposed 5 additional support staff, see paras. 42 and 43 of the present report.

41. **The Advisory Committee notes that the cost of recruiting interpreters as national staff is lower than the cost for outsourced interpreters ($807, compared to $943 per month). If the cost for five additional support staff were excluded from the calculation, the cost for one staff interpreter per month would be $776. This amount is significantly lower than the cost for outsourcing at $943 per interpreter per month. Moreover, the Committee points out that interpreters face the same risks as staff in the Mission and should therefore have access to the entitlements which would become available to them as staff members. The Advisory Committee therefore recommends approval of the establishment of 350 posts of interpreter (national General Service staff) and trusts that the requirement for the number of interpreters will be reviewed and re-justified in time for the 2007/08 budget presentation.**

42. *Establishment of three posts and two positions in component 5, support, to provide administrative support for the above-mentioned proposed 350 interpreters (A/60/728, table 6, second and third bullets)*:

(a) *Establishment of one post of Administrative Assistant (national General Service) in the General Services Section;*

(b) *Establishment of two posts of Human Resources Assistant (national General Service) in the Personnel Section;*

(c) *Establishment of two United Nations Volunteer positions, namely, one Finance Assistant in the Finance Section, and one Administrative Assistant in the General Services Section.*

The three posts and two positions are proposed for the purpose of providing administrative support for the proposed 350 interpreters, managing the related increased workload in the payroll and disbursement units, managing the interpreters' assignments and schedules, and recording their attendance and processing their performance appraisals.

43. **For the reasons given in paragraphs 38 to 41 above, the Advisory Committee recommends acceptance of these requests. The Committee trusts that the continued requirement for all five posts and positions will be kept under review as part of the above-requested review of the number of interpreters, and re-justified in time for the 2007/08 budget presentation.**

44. *Abolition of one P-4 level post of Logistics Officer in the Joint Logistics Operation Centre, component 5, support (A/60/728, table 6, first bullet).* The budget document indicates that the post is proposed for abolition because the Mission is entering a maintenance phase. **The Advisory Committee has no objection to the abolition of the post.**

45. *Conversion to national staff posts in component 5, support, of: (a) four Field Service posts, namely, one Movement Control Assistant in the Movement Control Section and one Dispatcher and two Vehicle Mechanics in the Transport Section; and (b) one P-3 level post of Supply Officer in the Supply Section (A/60/728, table 6, first bullet).* **The Advisory Committee was informed that the Mission continues to review its staffing requirements in order to ensure a greater proportion of national staff, in line with the Committee's recommendation (A/59/390, para. 16). The Committee welcomes these efforts and recommends approval of the conversion to national posts of the five international posts.**

46. *Establishment of 20 posts of Mechanic (national General Service staff) in the Transport Section, component 5, support (A/60/728, table 6, second bullet).* The posts are proposed for repair and maintenance of the vehicle fleet in the nine workshops throughout the country. The budget document indicates that the current practice of using local vendors or individual contractors has proved unsatisfactory because most vendors are located in security-restricted areas, have limited resources and do not have the capacity to handle the most recent vehicle technologies, such as electronically controlled module systems. The 20 additional staff would be trained to meet the Mission's specific needs. **The Advisory Committee notes that the vocational training provided by the Mission to 20 national staff marks an important contribution in building long-term local capacity. The Committee therefore recommends approval of the establishment of 20 national General Service staff posts.**

47. *Establishment of one P-3 level post of Quality Assurance and Standardization Officer and one P-3 level post of Air/Ground Support Services Officer in the Aviation Section, component 5, support (A/60/728, table 6, first bullet).* The budget document indicates that the Quality Assurance and Standardization Officer would be responsible for quality assurance and quality control, the verification of the performance of contractors and services provided under letters of assist, and the harmonization of aviation operations with national, international and United Nations policies and regulations on aviation operations. The Air/Ground Support Services Officer would be responsible for the formulation of policies and procedures in compliance with national, international and United Nations regulations, standards and policies, as well as industry standards on airfield operations, in order to reduce the risk of serious incidents and accidents. **The Advisory Committee has no objection to the establishment of these two posts.**

48. *Reclassification from the P-2 to the P-3 level of the post of Chief, Technical Compliance and Quality Assurance in the Aviation Section, component 5, support (A/60/728, table 6, first bullet).* The budget document indicates that the reclassification is proposed in order to comply with the staffing guidelines of the United Nations Common Aviation Standards for Peacekeeping and Humanitarian Air Transport Operations. In addition to quality assurance responsibilities, the responsibilities of the post comprise issues related to procurement, budgeting, finance, fuel accounting, flight hours tracking and reporting. **In keeping with its**

practice, the Advisory Committee has no objection to the reclassification of the P-2 post to the P-3 level.

49. *Establishment of three posts of Aviation Assistant (national General Service staff) and two United Nations Volunteer positions of Air Operations Assistant in the Aviation Section, component 5, support (A/60/728, table 6, second and third bullets).* The budget document indicates that of the three proposed posts of Aviation Assistant, one was previously authorized as a temporary position under general temporary assistance. The three proposed Aviation Assistants would perform flight-following functions to maintain real-time progress tracking for all ongoing flight tasks and maintain coordination and communications links between the Mission and each aircraft, including during aircraft emergencies and search and rescue procedures. The first proposed United Nations Volunteer position of Air Operations Assistant in the Mission Air Operations Centre was also previously authorized as a temporary position. The position is required to improve the safety and security of aviation operations and to comply with limitations of the International Civil Aviation Organization on duty hour limitations of flight operations personnel. The second proposed United Nations Volunteer position of Air Operations Assistant in the Air Terminal Unit would be responsible for the evaluation and quarterly re-evaluation of the Mission's helicopter landing sites, for the identification of improvement, equipment requirements, and for developing and maintaining a database of all helicopter landing sites. **The Advisory Committee recommends approval of the establishment of three national General Service staff posts and two United Nations Volunteer positions.**

50. *Establishment of seven national posts, namely, five posts of Medical Officer (National Officer) and two posts of Nurse (national General Service staff) in the Medical Section, component 5, support (A/60/728, table 6, second bullet).* The posts are proposed to accommodate the improved provision of medical services from five days per week (eight hours a day) in 2005/06 to seven days per week (24 hours a day) in 2006/07. Also, the Mission intends to establish a central laboratory in the Port-au-Prince clinic and basic laboratory capacities in the three regions (Cap Haïtien, Gonaïves and Les Cayes). Two of the proposed Medical Officers would be located in the Port-au-Prince clinic, and three Medical Officers and two Nurses would be located in the three regions. **The Advisory Committee supports the Mission's intention to expand access to medical services and recommends approval of the establishment of seven national posts in this respect.**

51. *Establishment of 25 posts of Security Guard (national General Service staff) in the Security Section, component 5, support (A/60/728, table 6, second bullet).* The Security Guards would be assigned to additional facilities recently occupied by the Mission, to the second entry established at the logistics base in Port-au-Prince and to the building in which the Office of the Special Representative is located following the installation of new surveillance cameras and technical fences. **The Advisory Committee was informed that 25 additional Security Guards were required to ensure the security of the Mission's new facilities and has no objection to the establishment of these posts.**

3. Operational costs

Apportioned 2005-2006	*Proposed 2006-2007*	*Variance*
$151 815 200	$123 455 000	($28 360 200)

General temporary assistance

52. The Advisory Committee notes from supplementary information provided to it that requirements in the amount of $2,482,100 under general temporary assistance for international and national staff are attributable to the fact that, as at 1 July 2006, all general temporary staff were expected to be fully deployed. For international staff under general temporary assistance, a vacancy factor of 10 per cent would be applicable for the 2006/07 budget period, whereas the amount approved for the 2005/06 budget period took into account a vacancy factor of 25 per cent. For national staff under general temporary assistance, a vacancy factor of 5 per cent for national General Service staff and of 30 per cent for National Officers would be applicable for the 2006/07 budget period, whereas the amount approved for the 2005/06 budget period took into account a vacancy factor of 25 per cent for both categories.

Consultants

53. Requirements under consultants are estimated at $299,000. This is an increase of $15,800 (5.6 per cent) over 2005/06 and represents an amount of $84,500 for consultants (training) and of $214,500 for consultants (non-training). With regard to the latter, an increase of $44,300 (26 per cent) is requested over the previous period. Supplementary information provided to the Advisory Committee indicates that the added requirement would be due to the hiring of three additional consultants to conduct technical studies to support the central government, mainly the Ministry of the Interior and the Ministry of Finance. The three consultants would address aspects of decentralization. Further, one additional national consultant would be hired to develop a database on the capacity of decentralized institutions.

54. Upon further enquiry, the Advisory Committee was provided with additional information on consultants. For the period 2005/06, a total of five consultants (non-training) were approved: (a) three consultants on disarmament, demobilization and reintegration to conduct an expert analysis of the small arms environment to obtain data to facilitate the evaluation of the Mission's disarmament, demobilization and reintegration programme ($146,600); (b) one consultant on gender issues to assess gender-related work in the field ($19,500); and (c) one consultant on HIV/AIDS to evaluate the effectiveness of the Mission's HIV/AIDS training ($4,100). For the period 2006/07, seven consultants (non-training) are proposed: (a) a continuation of the work the three consultants from the 2005/06 period in support of the Mission's disarmament, demobilization and reintegration programme ($160,300); and (b) the above-mentioned three international and one national consultant to conduct work in support of the national Government ($54,200).

55. **The Advisory Committee notes with concern that the Mission is resorting to continuing consultancy services for disarmament, demobilization and reintegration although 56 posts and positions have been made available by the General Assembly to the Mission (see also paras. 72 and 73 below). Also, it is**

the understanding of the Committee that the work of the disarmament, demobilization and reintegration programme has to date been focused on the preparation of studies and the establishment of a platform for future operational activities. The Committee did not receive convincing information that the work of external consultants could not be done by existing staff who have expertise in disarmament, demobilization and reintegration, as can be seen from the description of their duties in annex III to the present report. The Advisory Committee therefore does not recommend the approval of resources for consultants for the purpose of disarmament, demobilization and reintegration.

56. With regard to the proposed hiring of four additional consultants (three international and one national) to conduct technical studies to support the central Government, the Advisory Committee believes that this capacity can be drawn from among United Nations cooperating partners. **The Advisory Committee therefore does not recommend the approval of resources for consultants for the purpose of conducting such technical studies.**

Official travel

57. The requirement for official travel for the 2006/07 budget period is estimated at $969,500; this represents a decrease of $320,500 (24.8 per cent) when compared to the apportionment of $1,290,000 for the 2005/06 budget period. The reduced requirements are a result of (a) the inclusion of Mission-related travel of staff from Headquarters in the budget for the support account for peacekeeping operations; (b) reduced intra-mission travel by Mission staff for overall support; and (c) reduced training-related travel. With respect to travel expenditures for the current period, the Committee notes that the apportionment for 2005/06 amounted to $1,290,000. As at 30 April 2006, a total amount of $1,275,155 had been expended; total cumulative projected expenditures were projected at $1,583,326, or $293,326 over the budgeted amount. **The Advisory Committee recalls that it had recommended that the Administration reduce travel costs during the period 2005/06 (A/59/736/Add.13, para. 49) and regrets the Mission's projected budget overrun during the current period. The Advisory Committee trusts that the proposed travel budget for 2006/07 will be utilized prudently and not exceeded.**

Air operations

58. The Advisory Committee notes that, of an apportionment of $20,112,500 for the 2004/05 budget period, savings in the amount of $3,024,000 (15 per cent) were realized under air transportation. Supplementary information provided to the Committee indicates that the unspent balance was due to (a) reduced requirements for petrol, oil and lubricants, and (b) the rental and operation of rotary wing aircraft for low-altitude flights which could not be provided owing to national restrictions from providing countries. This was partially offset by an additional expenditure of $376,800 for the contracting of one fixed-wing aircraft type (DHC-7) for medical evacuations, in replacement of one Bell-212 helicopter.

59. The requirement for air transportation for 2006/07 is estimated at $25,378,400; this represents an increase of $4,524,500 (21.7 per cent) over the 2005/06 budget period. The Committee notes from supplementary information provided to it that the additional requirement is primarily due to a provision of $6,056,400 for the

establishment of fire fighting and rescue capacity at five locations in order to comply with the recommendations of the International Civil Aviation Organization.

Quick-impact projects

60. For the budget period 2004/05, an amount of $970,000 was apportioned for quick-impact projects; total expenditures of $968,600 resulted in an unspent balance of $1,400. The requirement for quick-impact projects for the 2006/07 budget period is estimated at $2,030,000, representing an increase of $572,400 when compared to the apportionment of $1,457,600 for 2005/06 for which projected expenditures amount to $1,321,063. From supplementary information provided to it, the Advisory Committee notes that the increased requirement is a result of the need for intensified capacity-building and rehabilitation of infrastructure in Haiti.

61. Upon enquiry, the Committee was provided with a list of quick-impact projects. During 2004/05, 91 such projects were initiated, of these, 60 were completed and the accounts closed and 31 were completed but closure of the accounts was pending. During 2005/06, 126 were initiated; of these, 113 remain active, 11 were implemented and closed, and 2 were pending closure of accounts. For the 2006/07 period, 140 quick-impact projects were planned, specifically for the training of governmental and municipal officials ($600,000; 30 projects), basic rehabilitation of local infrastructure and strengthening of civil society groups ($1,000,000; 50 projects), support of governmental institutions and restoration of critical services ($300,000; 50 projects) and information campaigns ($100,000; 10 projects).

62. The Committee notes that the apportionment for quick-impact projects has doubled from $970,000 during 2004/05 to a proposed requirement of $2,030,000 for 2006/07; this represents an increase of 53 per cent. **The Advisory Committee notes that the duration of the Mission's responsibility for the implementation of quick-impact projects has now exceeded the two-year limit set by the General Assembly in its resolution 58/315 of 1 July 2004 (see para. 64 below).**

63. **In the opinion of the Advisory Committee, the overall amount proposed for quick-impact projects for the 2006/07 period could be reduced. In keeping with the original intent for these types of projects, overhead costs should be kept to a minimum and efforts should be made to identify implementing partners, including those at the local level, in order to share the burden of the costs of administering such projects. Upon enquiry, the Committee was informed that the quick-impact project approval mechanism requires that proposals be made by United Nations agencies with the respective technical expertise and that a number of projects were approved to obtain agency co-funding. The Committee notes that a large number of United Nations agencies with a wide spectrum of multidisciplinary expertise are active in Haiti (see para. 77 below). The Advisory Committee notes that a coordination network has been established and that, with no adverse effects on the local population and economy, the Mission's centralized tasking and implementation monitoring of quick-impact projects which then become ongoing projects could now be taken on by another United Nations entity.**

64. **The Committee is of the view that it is for the General Assembly to decide whether it wishes to change the policy regarding quick-impact projects or to grant an exception in this case. If the decision is made to extend quick-impact**

projects beyond the two-year period, care should be taken to ensure that such projects conform to the original concept for this type of activity and are in harmony with the activities of other development or humanitarian assistance entities in the Mission area.

Proposed resources for the establishment of 10 multimedia centres

65. The proposed budget for 2006/07 includes estimated expenditures in connection with 10 multimedia centres. Upon enquiry, the Secretariat informed the Advisory Committee that an amount of $662,500 would be required for the purpose of the centres under operational costs, as follows: (a) $598,000 under communications ($218,500 for videoconference terminals, $92,000 for Internet satellite terminals and $287,500 for outreach centre equipment); and (b) $64,500 under information technology ($30,000 for software licenses and $34,500 for colour printers).

66. The multimedia centres would be located throughout Haiti, namely, in Port-au-Prince, Cap Haitien, Jeremie, Jacmel, Les Cayes, Gonaïves, Hinche, Port de Paix, Fort Liberté and St. Marc. The facilities would be organized within the context of the easy accessibility of an Internet café with 10 computer terminals and two printers. The facilities would also include videoconferencing facilities and conference/meeting rooms. The work programme would focus on local organizations and extend the Mission's outreach. It would address the needs of a broad segment of Haitian society, including women, young people, students, lawyers, farmers, medical staff, community groups etc., and provide support for their participation in a national dialogue for reconciliation. Specifically, the multimedia centres would allow participation in national discussions via videoconferencing and exchange of e-mails and the dissemination of information on the development and reform process. The Committee notes that easy availability of information technology for participation in the national dialogue in each province would be important given that it remains difficult to travel by road in Haiti.

67. **The Advisory Committee recognizes the importance of multimedia centres and the indispensability of information technology as a means of communication, in particular in unstable situations. The Committee understands that the establishment of the centres would proceed gradually; in this connection, the Committee trusts that their establishment will be based on functional requirements. The Committee expects that the Mission will provide updated information on this matter during the 2007/08 budget presentation.**

Proposed resources for the establishment of United Nations radio station

68. The Advisory Committee was informed that the overall cost of setting up a United Nations radio station with transmitters in Port-au-Prince and in each department would amount to approximately $850,000. The subsequent annual running cost was estimated at approximately $200,000. However, the requirement for a radio station was not determined primarily by cost but by the need to broadcast on a single frequency for an extended period each day. This would allow the Mission to provide live radio, respond rapidly to all developments and create a station that is attractive and easily identified by the audience. At present, the broadcasts provided by the Mission were limited to 30 minutes per week using the frequencies and facilities of 35 radio stations. The Mission informed the Committee

that, since the beginning of 2006, it had spent approximately $98,000 a month on radio broadcasting; this amounted to an annual cost of $1.17 million for a weekly 30 minutes.

69. **Taking into account the difficulties described above, and the fact that local elections are still to be held, the Advisory Committee fully supports the establishment of a United Nations radio station in Haiti and the related resource requirements, including staff, as noted above.**

4. Other matters

Disarmament, demobilization and reintegration

70. The Advisory Committee notes that the National Programme of Disarmament, Demobilization and Reintegration was launched in Haiti on 11 May 2005. The Committee also notes that activities in this respect are gaining momentum with the election period under way, government and municipal structures being re-established and the security situation stabilizing. The information provided to the Committee at its request confirms that much remains to be done. It is the view of MINUSTAH that the framework typically applied in post-conflict environments needs to be adapted to the specific Haitian context and that the focus would therefore shift from conventional logistical disarmament to addressing armed violence in all its aspects. The Committee was informed that the reinsertion module was included in the demobilization part of the programme given that reintegration activities should not be financed from assessed contributions. The Committee notes that reinsertion activities, a component of demobilization activities, are funded in Haiti from assessed contributions. In this connection, the Committee recalls section VI of General Assembly resolution 59/296 of 22 June 2005, in which the Assembly noted that reinsertion activities were part of the disarmament and demobilization process.

71. Proposed resources for 2006/07 for civilian and operational costs for the purpose of disarmament, demobilization and reintegration (see annex II) amount to $6,374,400; the apportionment for 2005/06 amounted to $7,461,400 of which a total amount of $5,408,600 has been obligated. This amount includes $3,120,000 for other services, of which a total of $2,194,400 has been obligated.

72. The number of approved posts and positions established in connection with the function remains unchanged at 56 with an incumbency, as at 30 April 2006, of 51 staff; in addition, 19 staff are currently employed under special service agreements. As indicated in annex III, to the present report, the disarmament, demobilization and reintegration programme comprises five units: disarmament and demobilization, reintegration, community disarmament, specialist support and operational support. The Committee notes that, since the 2005/06 period and continuing into the 2006/07 period, of the three consultants approved, one has been brought on board in support of the disarmament, demobilization and reintegration programme. The Committee's comments on the use of consultants in this respect are contained in paragraphs 53 to 56 above.

73. The Committee was assured during the hearings that substantive activities would advance significantly during the 2006/07 budget period and that a foundation had been established for the disarmament, demobilization and reintegration efforts to produce measurable results. The Committee anticipates, in the context of the

2007/08 budget presentation, updated information on the overall progress made with respect to disarmament, demobilization and reintegration.

Disaster recovery centre

74. To ensure continuity of operations in case of a deteriorating security situation, the Mission has established a disaster recovery centre located within the International Research and Training Institute for the Advancement of Women (INSTRAW) facility in Santo Domingo. The space is provided by INSTRAW as part of a cost-sharing agreement. The Mission indicated that a cost-benefit analysis conducted in consultation with the Secretariat concluded that the utilization of the INSTRAW facility would cost approximately one third (or approximately $300,000) less per year compared to setting up a facility elsewhere in Santo Domingo. The INSTRAW facility was selected for use as an in-theatre off-site disaster recovery and business continuity facility and an emergency relocation site for senior managers because of its proximity to Haiti and its cost-effectiveness.

75. Upon enquiry, the Advisory Committee was informed that the estimated cost for using INSTRAW premises would be $13,875 per month for the cleaning and maintenance of the offices assigned to MINUSTAH, as well as for insurance costs, a service contract for back-up generators, security services and the use of INSTRAW information technology personnel for data back-up services. The agreement with INSTRAW was finalized after submission of the budget for 2006/07 and no provision has been included in the 2006/07 budget. Expenditures relating to the disaster recovery centre would therefore be absorbed from the approved 2006/07 resources. A one-time cost of $243,000, for which no provision was made in the budget for 2005/06, would be incurred in 2005/06 for civil works to make the facility compliant with minimum operating security standards, for the refurbishment of air-conditioning systems and electrical upgrades to be utilized by the Mission, for the refurbishment of the server room, the construction of a data centre and the refurbishment of approximately 375 square metres of office space for use by senior managers in case of an emergency evacuation.

76. The Advisory Committee notes that the Mission has three levels with regard to a disaster recovery and business continuity setup, as follows:

(a) **Mission onsite.** Main functions are performed utilizing the disaster recovery and business continuity set-up at a secondary site, located at the Mission's logistics base in Port-au-Prince in case of a disaster at the primary site;

(b) **Mission in theatre and off site.** Main functions are performed utilizing the disaster recovery and business continuity set-up in a site outside the Mission area in case of an evacuation or temporary relocation of Mission headquarters to a safe haven. This site is located in Santo Domingo;

(c) **Off site and out of theatre.** The site located at the United Nations Logistics Base at Brindisi, Italy, would be used in case of a major situation in the area of operations that requires the relocation of key staff to Brindisi. The systems and data available in the Mission area are duplicated in order for the Mission to operate from there. This facility is being prepared as the main global disaster recovery and business continuity site of the Department of Peacekeeping Operations for up to 300 staff and for the use of field missions in general.

International presence and coordination mechanism

77. Upon enquiry, the Advisory Committee was informed that the Mission is engaged with a large number of agencies, funds, programmes and others in Haiti in a variety of activities, including disarmament, demobilization and reintegration, electoral assistance, national dialogue, justice, child protection, infrastructural development and road construction, humanitarian and development matters (including humanitarian information management), civil affairs, human rights, gender issues and HIV/AIDS. The United Nations country team coordinates on a regular basis meetings of agencies, including the Food and Agriculture Organization of the United Nations, the United Nations Children's Fund, the United Nations Office for Project Services, the Joint United Nations Programme on HIV/AIDS, the World Food Programme, the United Nations Educational, Scientific and Cultural Organization, the United Nations Development Programme, the United Nations Population Fund, the World Health Organization, the Office for the Coordination of Humanitarian Affairs, the United Nations Human Settlements Programme (UN-HABITAT) and the International Organization for Migration, and non-governmental organizations.

Electoral assistance

78. During the hearings, the Advisory Committee was informed that the Mission had provided significant support with regard to the presidential elections on 7 February 2006 and the parliamentary and senatorial elections on 21 April 2006. For the latter, the Mission incurred expenditures in the amount of $600,000 and for the former $1,400,000. The Committee was also informed that the parliamentary rerun elections, as well as municipal and local elections, would take place during the 2006/07 budget period. The Mission's role in Haiti in this respect would continue, in cooperation with the international community, including regional and subregional organizations, in support of national elections as well as municipal and local elections, as reaffirmed by the Security Council in its resolution 1658 (2006) of 14 February 2006. **The Advisory Committee notes the efforts of the Mission, in cooperation with international agencies, funds and programmes, to build a national election capacity given that MINUSTAH is instrumental in setting up a permanent electoral institution responsible for future elections after the closure of the Mission.**

V. Conclusion

79. The action to be taken by the General Assembly in connection with the financing of MINUSTAH for the period from 1 July 2004 to 30 June 2005 is indicated in paragraph 26 of the performance report (A/60/646). **The Advisory Committee recommends that the unencumbered balance of $1,374,000, as well as other income and adjustments in the amount of $2,000, be credited to Member States in a manner to be determined by the General Assembly.**

80. The action to be taken by the General Assembly in connection with the financing of MINUSTAH for the period from 1 July 2006 to 30 June 2007 is indicated in paragraph 36 of the proposed budget (A/60/728). **In view of its foregoing comments, the Advisory Committee recommends that the estimated budget requirements be reduced from $490,636,200 to $490,250,900.**

- Performance report on the budget of the United Nations Stabilization Mission in Haiti for the period from 1 July 2004 to 30 June 2005: report of the Secretary-General (A/60/646)
- Budget for the United Nations Stabilization Mission in Haiti for the period from 1 July 2006 to 30 June 2007: report of the Secretary-General (A/60/728)
- Report of the Advisory Committee on Administrative and Budgetary Questions on the revised budget for the United Nations Stabilization Mission in Haiti for the period from 1 July 2005 to 30 June 2006 (A/60/386)
- Report of the Advisory Committee on Administrative and Budgetary Questions on the proposed budget for the United Nations Stabilization Mission in Haiti for the period from 1 July 2005 to 30 June 2006 (A/59/736/Add.13)
- Report of the Advisory Committee on Administrative and Budgetary Questions on the proposed budget for the United Nations Stabilization Mission in Haiti for the period from 1 May 2004 to 30 May 2005 (A/59/390)
- Report of the Special Committee on Peacekeeping Operations and its Working Group: 2004 substantive session[a]
- General Assembly resolutions 58/311, 59/17 A and 59/17 B, and 60/18 on the financing of the United Nations Stabilization Mission in Haiti, and resolutions 58/315 and 59/296
- Security Council resolutions 1658 (2006), 1608 (2005) and 1542 (2004)

[a] *Official Records of the General Assembly, Fifty-eighth Session, Supplement No. 19* (A/58/19).

Annex I

MINUSTAH: current and projected expenditures for the period from 1 July 2005 to 30 June 2006

Class description	Expenditure as at 30 April 2006		Projected		Percentage	Reason for savings
	Apportionment	Total expenditure	Projections to 30 June 2006	Estimated unencumbered balance as at 30 June 2006		
I. Military and police personnel						
212 Military observers		-	-			
213 Military contingents	198 790 000	173 529 028	9 130 332	16 130 640		
214 Civilian police	46 231 600	33 264 669	8 395 370	4 571 561		
216 Formed police units	29 776 300	25 383 808	2 973 143	1 419 349		
Total group I	274 797 900	232 177 505 0	20 498 845	22 121 550	-0 8	Savings under military contingents is attributable to rations, travel and emplacement and early withdrawal of Spanish and Moroccan troops
II. Civilian personnel						
221 International staff	70 460 500	56 921 669	12 496 044	1 042 787		
222 National staff	11 994 100	9 304 107	1 838 040	851 953		
223 United Nations Volunteers	7 420 800	6 547 532	1 981 012	(1 107 744)		
Total group II	89 875 400	72 773 308 0	16 315 096	786 996	0 9	Over-expenditure under United Nations Volunteers is due to the increase in volunteers' living allowance, this is, however, offset by savings under national and international staff. In addition, United Nations Volunteers assigned as electoral observers were budgeted for up to March 2006 but have been held over owing to the postponement of elections
III. Operational costs						
224 General temporary assistance	1 598 500	359 252	352 000	887 248		
225 Government-provided personnel		-	-	-		
226 Civilian electoral observers		-	-	-		
227 Consultants	283 200	228 504	43 294	11 402		
228 Official travel	1 290 000	1 275 155	308 171	(293 326)		
230 Facilities and infrastructure	74 652 100	59 671 373	15 126 932	(146 205)		
231 Ground transportation	8 817 100	5 851 091	2 569 129	396 880		
232 Air transportation	20 853 900	16 665 447	3 059 872	1 128 581	5	Savings under air operations are due to letters of assist for nine military helicopters with six available per day - three in maintenance. For the 2006/2007 budget, flight hours have been adjusted in order to reduce the budget variance without affecting operational capability
233 Naval transportation	205 200	205 200	43 000	(43 000)		
234 Communications	20 086 000	15 026 472	3 776 764	1 282 764	6	Communication and information technology savings are due to the delay in Public Information Office projects and acquisition of spare parts
235 Information technology	4 291 900	2 748 031	295 000	1 248 869	29	
236 Medical	5 327 700	6 312 839	40 350	(1 025 489)		
237 Special equipment	3 747 300	3 021 600	4 100	721 600		
238 Miscellaneous supplies, services and equipment	9 204 700	2 341 889	3 621 151	3 241 660	35	Savings under the miscellaneous supplies, services and equipment are mainly due to the delay in disarmament, demobilization and reintegration programme projects
239 Quick-impact projects	1 457 600	756 947	564 116	136 537		
Total group III	151 815 200	114 463 800 0	29 803 878	7 547 522	5	
Gross	516 488 500	419 414 613 0	66 617 819	30 456 068		
Staff assessment income	10 235 300	6 957 802 0	1 373 014	1 904 484		
Net	506 253 200	412 456 811 0	65 244 805	28 551 584		
Voluntary contributions in kind (budgeted)			-	-		
Total	516 488 500	419 414 613	66 617 819	30 456 068	6	

* **Pre-encumbrance NOT included in total expenditures.**

Annex II

Detailed costs related to disarmament, demobilization and reintegration programme

	Approved 2005/06	Committed 2005/06	Proposed 2006/07
Civilian staff cost	**2 844.0**	**2 417.8**	2 531.8
Consultants			
Consultants, non-training	159.5	192.4	160.0
Training consultants	30.0	30.0	0.0
	189.5	**222.4**	**160.0**
Official travel			
Official travel, non-training	17.2	8.0	7.4
Official travel, training	3.9	0.0	0.0
	21.0	**8.0**	**7.4**
Facilities and infrastructure			
Acquisition of prefabricated facilities	378.9	35.9	0.0
Acquisition of generators	140.0	41.2	0.0
Acquisition of office furniture	170.0	58.7	0.0
Rental of premises	200.0	35.5	66.6
Construction services	100.0	27.8	0.0
Petrol, oil and lubricants	30.0	15.0	0.0
Sanitation and cleaning materials	10.0	10.0	0.0
Maintenance supplies	0.0	37.5	0.0
Security services	0.0	18.4	0.0
	1 028.9	**280.0**	**66.6**
Ground transportation			
Rental of vehicles	42.0	43.6	0.0
	42.0	**43.6**	**0.0**
Medical			
Medical supplies	50.0	0.0	0.0
	50.0	**0.0**	**0.0**
Other supplies, services and equipment			
Acquisition of other equipment	96.6	190.4	0.0
Printing and reproduction	60.0	40.0	40.0
Training fees, supplies and services	9.4	12.0	0.0
Other services	3 120.0	2 194.4	3 568.6
	3 286.0	**2 436.8**	**3 608.6**
Total	**7 461.4**	**5 408.6**	**6 374.4**
Detail of other services			
Feeding in reinsertion orientation centres	650.0	19.2	270.0
Recreational and reinsertion training materials	50.0	83.4	48.0
Reinsertion benefits for ex-combatants	200.0	517.5	729.0
Registration, profiling and tracking	150.0	0.0	96.0
Reinsertion and employment counselling	50.0	239.8	32.0
Community mobilization for reinsertion support	470.0	164.8	495.0
Investment in initial community programmes in five programmes for ex-military and gang members	1 000.0	272.8	1 100.0
Community-based participatory project addressing violence hotspots	300.0	0.0	500.0
Public information and sensitization	100.0	797.1	100.0
Support for the operationalization of the National Committee for Disarmament	150.0	100.0	100.0
Translation of sensitive and confidential documents	0.0	0.0	98.6
	3 120.0	**2 194.4**	**3 568.6**

Annex III

Disarmament, demobilization and reintegration programme

Staff	*Responsibility*	*Achievement*
Disarmament and Demobilization Unit. Target: 6,000 armed elements and young people and women associated with armed groups		
Head of Unit: P-3 Disarmament, Demobilization and Reintegration Officer Disarmament and Demobilization Officers: 4 United Nations Volunteers Armed group analysis: 1 United Nations Volunteer Disarmament and demobilization camp managers: 2 National Professional Officers Weapons stock piles manager: 1 United Nations Volunteer Negotiators/translators: 2 National Professional Officers	Liaise with armed groups in gathering information leading to negotiation, disarmament and demobilization	Consolidated database on armed groups Set up main disarmament and demobilization camp and five mobile camps with country-wide deployment capacity Maintained channel of communication with armed groups in five regions Disarmed two pilot groups and effected reintegration Set up MINUSTAH weapons tracking system
Reintegration Unit. Target: 6,000 beneficiaries and the related host communities		
Head of Unit: P-3 Reintegration Officer Reintegration Officers: 6 United Nations Volunteers Stop gap officers: 6 National Professional Officers	Facilitate reinsertion and reintegration and prepare the host community Pacify armed groups until disarmament and demobilization is effected	Economical assessment for reintegration Twenty-five labour-intensive projects in shanty towns, such as Cite Soleil, Belair and Martissant Five large sensitization projects
Community disarmament. 200,000 illegal weapons in circulation in the community		
Community disarmament: 1 P-3 Specialist in firearms licensing: 1 United Nations Volunteer Community development: 1 United Nations Volunteer	Support the disarmament of the community and the sustainable control of small arms	Set up five community-based structures for conflict resolution and disarmament Capacity-building in five communities

Staff	*Responsibility*	*Achievement*
Specialist support		
Chief, Disarmament, Demobilization and Reintegration Section: 1 P-5 Deputy Chief: 1 P-4 Regional disarmament, demobilization and reintegration team leader: 5 United Nations Volunteers Child soldiers and gender: 1 United Nations Volunteer Community sensitization: 3 National Professional Officers Translators: 1 National Professional Officer	Support the disarmament, demobilization and reintegration process by means of a specialized programme for marginalized groups, such as women and young people associated with armed groups	Coordination of disarmament, demobilization and reintegration activities and development of partnership integration Common approach with the United Nations Children's Fund in regard to young people Common approach in respect of armed women Developed strategy for sensitization and development of activities
Operational support		
Administrator: 1 General Service international staff Drivers: 8 General Service national staff Assistant Administrator: 8 General Service national staff		This aspect must be strengthened, in order to effectively coordinate disarmament, demobilization and reintegration activities

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Integrated and coordinated implementation of and follow-up to the outcomes of the major United Nations conferences and summits in the economic, social and related fields

United Nations reform: measures and proposals

Follow-up to the outcome of the Millennium Summit

Review of the efficiency of the administrative and financial functioning of the United Nations

Programme budget for the biennium 2006-2007

Scale of assessments for the apportionment of the expenses of the United Nations

Human resources management

Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Investing in the United Nations for a stronger Organization worldwide: detailed report

Report of the Advisory Committee on Administrative and Budgetary Questions

I. Introduction

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General entitled "Investing in the United Nations for a stronger Organization worldwide: detailed report" (A/60/846 and Add.1-4). During its consideration of the report, the Advisory Committee met with representatives of the Secretary-General, who provided additional information and clarification.

2. The report of the Secretary-General was submitted in response to General Assembly resolution 60/260 of 8 May 2006 and builds upon his previous report on investing in the United Nations (A/60/692 and Corr.1). The report consists of an

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introductory main document (A/60/846), which summarizes the approach taken by the Secretary-General and the main proposals, and four addenda, which deal with the following areas:

(a) Information and communication technology (A/60/846/Add.1);

(b) Budget implementation (A/60/846/Add.2);

(c) Financial management practices (A/60/846/Add.3);

(d) Improving reporting mechanisms, including public access to United Nations documentation (A/60/846/Add.4).

3. The Advisory Committee notes that the report of the Secretary-General has been presented in a timely manner and that it takes into account elements contained in the Committee's report of 24 March 2006, in which it requested inclusion of background information on the history of the proposals, financial and administrative implications and projected time lines for implementation, among other things (A/60/735 and Corr.1, para. 8). The report, however, treats some subjects more comprehensively than others and in some areas lacks clarity and/or detail. The Committee comments further on this in its discussion of the specific proposals.

4. The detailed report (A/60/846 and Add.1-4) does not address all of the proposals in the Secretary-General's initial report on investing in the United Nations (A/60/692 and Corr.1). Upon request, the Advisory Committee was provided with the following table showing the status of each of the proposals presented in the initial report:

Proposal	*Status*
I. People	
Proposal 1	In accordance with General Assembly resolution 60/260, a detailed report is to be submitted to the General Assembly at its sixty-first session
Proposal 2	
Proposal 3	
Proposal 4	
II. Leadership	
Proposal 5	No further reporting
Proposal 6	No further reporting
Proposal 7	Sixty-first session of the General Assembly
III. Information and communication technology	
Proposal 8	Addressed in A/60/846/Add.1
Proposal 9	
Proposal 10	
IV. Delivering services	
Proposal 11	Separate reports for the resumed sixty-first session of the Assembly
Proposal 12	
Proposal 13	Separate report in June 2006
Proposal 14	
Proposal 15	
V. Budget and finance	
Proposal 16	Addressed in A/60/846/Add.2
Proposal 17	Addressed in A/60/846/Add.3
Proposal 18	Covered in part in A/60/846/Add.4 Other aspects to be considered in the context of the oversight review and associated report to follow
VI. Governance	
Proposal 19	Addressed in A/60/846/Add.4
Proposal 20	No further reporting
Proposal 21	No further reporting
VII. The way forward: investing in change	
Proposal 22	No action at the present time
Proposal 23	No action at the present time

5. Estimated requirements relating to the proposals dealt with in the report amount to $6,381,300, including an increase of eight posts (see A/60/846, tables 2-4). Upon request, the Advisory Committee was provided with a table showing additional requirements by proposal (see annex I).

Accountability

6. The Advisory Committee recalls that, in its report on the initial proposals by the Secretary-General, it pointed out that a set of principles to ensure accountability is key to the successful management of any organization, and drew attention to the need to specifically define what is meant by accountability in the United Nations context and to set out the parameters of its application and the instruments for its vigorous enforcement (A/60/735 and Corr.1, para. 6). Subsequently, the General Assembly requested the Secretary-General, in the context of the reports it requested relating to the reform proposals, to specifically define accountability as well as clear accountability mechanisms, including to the Assembly, and to propose clear parameters for its application and the instruments for its rigorous enforcement, without exception, at all levels (resolution 60/260, sect. I, para. 2).

7. The concept of accountability encompasses both the accountability of the Organization as an institution to Member States and the accountability of staff for performance; there are different processes and mechanisms for each. In his report, the Secretary-General makes reference to the accountability framework set out in his report on measures to strengthen accountability at the United Nations (A/60/312), and discusses aspects of the proposals which would strengthen the tools to demonstrate accountability and thereby increase transparency. In this regard, the Advisory Committee wishes to emphasize the importance of the following elements: adoption of International Public Sector Accounting Standards (IPSAS), strengthening capacity in the area of information and communications technology, improving reporting mechanisms and increasing public access to United Nations documentation.

8. **The Advisory Committee welcomes the steps taken thus far. It points out that a complete system of accountability requires further development in accordance with all applicable General Assembly resolutions, including resolution 60/260, with particular attention to the following: (a) a clear definition of accountability in all areas, including finance, administration and human resources management; (b) tools to implement accountability; (c) an effective system for the administration of justice; and (d) consistent regulations and rules.** The Committee notes that the International Civil Service Commission, in its framework for human resources management (A/55/30, annex II), defines accountability (as it applies to human resources) as a:

> "Concept which implies taking ownership of all responsibilities and honouring commitments; delivering outputs for which the staff member has responsibility within prescribed time, cost and quality standards; operating in compliance with organizational regulations and rules; supporting subordinates, providing oversight and taking responsibility for delegated assignments; taking personal responsibility for personal shortcomings and, where applicable, those of the work unit".

9. The Committee recalls that, in its first report on the proposed programme budget for the biennium 2006-2007, it recommended a number of measures that could be taken to strengthen accountability, including sanctions for failure to perform and provisions for rewarding performance that exceeds expectations.[1] The

[1] See *Official Records of the General Assembly, Sixtieth Session, Supplement No. 7* (A/60/7), paras. 56-61.

Committee recognizes that the development of a fully functioning system of accountability is a work in progress and notes in this regard that reports to the General Assembly on human resources management, the administration of justice and oversight, which will further address accountability arrangements, are forthcoming. **The Committee requests the Secretary-General to give the issue of accountability priority attention in the elaboration and implementation of reform measures. The Committee draws attention to the human resources reform proposals to be submitted to the General Assembly at its sixty-first session, which should take full account of all applicable General Assembly resolutions.**[2]

II. Information and communication technology (A/60/846/Add.1)

10. In A/60/846/Add.1, the Secretary-General elaborates proposals concerning investment in information and communication technology at the United Nations. The specific action to be taken by the General Assembly is outlined in paragraph 80 of the document. The observations and recommendations of the Advisory Committee are contained in paragraphs 11 to 23 below.

A. Chief Information Technology Officer

11. The Secretary-General proposes the creation of a post of Chief Information Technology Officer at the level of Assistant Secretary-General and the establishment of the Office of Information and Communications Technology only after the appointment of the Chief. The incumbent would carry sufficient central authority to effectively manage directly or through appropriate delegation all information and communication technology (ICT) activities throughout the Secretariat, including Headquarters, offices away from Headquarters, peacekeeping and special political missions and other field offices. The Chief would also provide vision, leadership and expertise to the Organization on ICT matters. Decisions on significant information technology investment initiatives would be made by the Management Committee, of which the Chief would be a member, on the basis of proposals made by the Chief. He or she would chair the Technology Steering Committee, composed of information management specialists as well as managers from Headquarters and the field, which would make major decisions on technology direction.

12. The Advisory Committee has, on numerous occasions, expressed the view that there is a need for a senior position of Chief Information Technology Officer of the United Nations with responsibilities for developing the ICT strategy, operational policies and procedures as well as the most appropriate structure for the ICT service. Also, the Committee has emphasized the importance of appointing to the post an expert who has extensive professional experience in running the day-to-day ICT operations of a large, complex organization, in-depth knowledge of enterprise resource planning systems, and proven managerial and leadership ability.

13. In his initial report on the most recent reform initiative, the Secretary-General noted that at least six departments had their own ICT units and that there was no

[2] Including, inter alia, Assembly resolutions 51/226, 53/221, 53/258, 59/266 and 60/260.

functioning integrating mechanism, resulting, inter alia, in fragmented systems, duplication of efforts, lack of knowledge-sharing and failure to fully exploit the potential of information and communication technologies to enable and support management reforms (A/60/692 and Corr.1, paras. 47-52). The Secretary-General explains that this largely dysfunctional ICT situation stems from legacy systems and practices built up over decades. In this connection, the Advisory Committee points out that the offices away from Headquarters and the regional commissions also have their own ICT units, which dispose of considerable resources and autonomy. Furthermore, in some cases, multiple units are responsible for providing ICT services within a given department: for example, the Office of Programme Planning, Budget and Accounts and the Office of Human Resources Management in the Department of Management.

14. **The Advisory Committee recommends the creation of a post of Chief Information Technology Officer at the Assistant Secretary-General level through redeployment, on the understanding that the incumbent would head an office which would integrate the Information Technology Services of the Department of Management and the Communication and Information Technology Service of the Department of Peacekeeping Operations and provide Secretariat-wide leadership, including for the information technology functions of offices away from Headquarters.**[3]

B. Upgrading of the Secretariat-wide information and communication technology systems

15. In his report (A/60/846/Add.1), the Secretary-General indicates that an in-depth fact-finding study was initiated to address the request of the General Assembly for a detailed report (resolution 60/260, sect. IV, para. 1) and that the study would be completed and a detailed costing and timetable provided to the Assembly for consideration at its sixty-first session. The Secretary-General also indicates that the report provided preliminary findings and a high-level road map charting a future course for investing in ICT (A/60/846/Add.1, para. 18).

16. The Secretary-General advises that most of the new reform proposals cannot be implemented without appropriate ICT support, but that the fragmented and outdated nature of the overall ICT system makes it difficult to adapt the systems in place to the new and evolving requirements. The Committee recalls that in the revised ICT strategy issued in November 2002 (A/57/620), the Secretary-General indicated that the Integrated Management Information System (IMIS) would continue to play a pre-eminent role in the administrative processes of the Secretariat for at least the ensuing five years. The report under consideration indicates that IMIS is approaching the end of its life cycle and becoming technologically obsolete. The Advisory Committee has also frequently pointed out some of the weaknesses in the ICT systems and governance mechanisms of the United Nations.[4] The

[3] The Advisory Committee's recommendation to redeploy would result in a consequential reduction in the Secretary-General's estimate of $145,600 net for salaries and $166,000 for office costs.

[4] *Official Records of the General Assembly, Fifty-fourth Session, Supplement No. 7* (A/54/7), paras. 80-92; A/55/7/Add.8; *Official Records of the General Assembly, Fifty-ninth Session, Supplement No. 7* (A/56/7), paras. 80-94; A/57/772, paras. 100-106; *Official Records of the General Assembly, Fifty-eighth Session, Supplement No. 7* (A/58/7), paras. 114-126; and ibid., *Sixtieth Session, Supplement No. 7* (A/60/7), paras. 110-112.

difficulties of integrating IMIS with other systems such as the Integrated Monitoring and Documentation Information System (IMDIS) and the Budget Information System (BIS) were demonstrated, for example during the introduction of results-based budgeting techniques. **It is evident that the Organization does not yet have adequate management information systems and, in the opinion of the Advisory Committee, that it should move rapidly towards overcoming its deficiencies in this critical area. The Committee reiterates its view that the proposals of the Secretary-General should lead to greater benefits by eliminating duplication, streamlining processes, increasing efficiency and productivity, improving financial controls and ensuring that accurate and timely information is available for performance management, oversight and decision-making.**

17. The Secretary-General's proposals and the preliminary cost estimates of $120 million are based on an IMIS gap study conducted in March 2005 to identify the weaknesses of the system and to evaluate the options for upgrading or replacing the United Nations ICT systems (see A/60/846/Add.1, paras. 63-65). The study demonstrates the need for the adoption of a next generation enterprise resource planning system rather than an upgrade of IMIS, referred to as IMIS+.

18. Upon request the Advisory Committee was provided a copy of the IMIS gap study. A summary of the functional gaps identified in IMIS and other existing tools against strategic requirements in the areas of financial management, human resource management and supply chain management, as well as IMIS systems gaps and issues, is presented in annex II to the present report; the special needs of the Department of Peacekeeping Operations, which are not served by IMIS are also identified.

19. The Secretary-General appears to link the timetable for the replacement of IMIS to the information technology needs and constraints arising from the adoption of IPSAS (A/60/846/Add.1, para. 74; see also paras. 38-42 below). **In the opinion of the Committee, a decision on the enterprise resource planning or any other solution proposed can be made only after the detailed report of the Secretary-General is submitted and extensive deliberations on the subject have taken place (see para. 15 above).**

20. **The Advisory Committee emphasizes that the detailed study envisaged should be comprehensive and cover the needs of all users of the administrative and management systems, including those at peacekeeping missions, other field-based operations, offices away from Headquarters and regional commissions (see General Assembly resolution 60/260). The Department of Peacekeeping Operations should be fully engaged from the start of the process. It is of paramount importance that the new systems are not applied to poor methods of work and that business processes are reviewed carefully and reformed as an integral part of the project. Also, the Committee requests that the needs of Member States be kept in mind. The analysis of cost aspects should examine all cost drivers over the enterprise resource planning life cycle, as well as the costs related to any transition from IMIS.**

21. **The implementation of an enterprise resource planning system is a major endeavour that will affect the entire Organization and the management of its operations for many years. As indicated by the Secretary-General, preliminary estimates of the costs of such a system point to an investment of some $120 million (A/60/846/Add.1, para. 66). The decision to replace IMIS with a next-**

generation enterprise resource planning system must therefore be based on complete, accurate information and comprehensive, rigorous analyses. The Advisory Committee will make its recommendation on the basis of the detailed report and costing plan to be submitted by the Secretariat to the General Assembly at its sixty-first session.

22. The Advisory Committee notes the Secretariat's intention to explore the potential for creating a fast-track process for managing resources and procurement (A/60/846/Add.1, para. 75). **The Committee emphasizes that special attention should be paid to ensuring that any measures proposed in this respect guarantee full accountability and transparency and are completed in strict application of United Nations regulations and rules.**

23. The cost estimates for the additional resources required to carry out the detailed cost study and implementation plan amount to a total of $2,215,200 (A/60/846/Add.1, para. 79). This includes $300,000 under section 28D, Office of Central Support Services, $1,500,000 for consultancy services under section 28A, Office of the Under-Secretary-General for Management and $55,200 under section 35, Staff assessment, to be offset by an equal amount under section 1, Income from staff assessment, under the programme budget for the biennium 2006-2007. A further $360,000 under section 28A, Office of the Under-Secretary-General for Management, of the programme budget for the biennium 2006-2007, is requested for general temporary assistance for the temporary replacement of staff seconded to the user needs definition process. **The Advisory Committee recommends acceptance of these requested resources.**

III. Budget implementation (A/60/846/Add.2)

24. The Secretary-General's proposals concerning limited budgetary discretion during budget implementation are contained in A/60/846/Add.2. The specific action to be taken by the General Assembly is outlined in paragraph 35. The observations of the Advisory Committee are contained in paragraphs 25 to 36 below.

A. Transfers between sections of the budget

25. Proposals related to the transfer of appropriations between budget sections are contained in paragraphs 35 (a) and (b) of A/60/846/Add.2. The Advisory Committee notes, as indicated by the Secretary-General in paragraph 6 thereof, that current proposals are presented in modified form in comparison with that contained in the initial report of the Secretary-General (A/60/692 and Corr.1, proposal 16).

26. As indicated in paragraph 15 of A/60/846/Add.2, parts VII to IX and XI to XIV would be excluded from the authority to transfer resources between sections since they each contain only one section. Upon request, the Advisory Committee was provided with a breakdown of the amounts approved for 2006-2007, both for parts with more than one section and for those containing only one (see annex III).

27. As can be seen from the table in annex III, the total amount approved by the General Assembly for 2006-2007 in resolution 60/247 A of 23 December 2005 amounts to $3,798,912,500 gross ($3,401,084,600 net). It is not clear from the parameters defined in paragraph 16 (f) of A/60/846/Add.2 whether the request for

authority to move not more than 10 per cent of the approved budget refers to the gross or the net budget. Upon enquiry, the Committee was informed that the amount proposed was intended to be 10 per cent of the net budget.

28. The Secretary-General has, at present, the authority to transfer funds within sections of the budget subject to the provisions of General Assembly resolution 55/231 of 23 December 2000. In paragraph 17 of that resolution, the Assembly decided that any transfer of resources between post and non-post objects of expenditure would require its prior approval. For the present 2006-2007 biennium, the Secretary-General may transfer funds between sections of the budget with the concurrence of the Advisory Committee (Assembly resolution 60/247 A, para. 2). Paragraphs 9 to 14 of A/60/846/Add.2 provide background information on the flexibility currently available to the Secretary-General, as well as a history of this authority.

29. The Advisory Committee has, in the past, called for the Secretary-General to be given greater flexibility. In this connection, the Committee recalls that, in connection with the proposed programme budget for the biennium 1992-1993, it recommended that every effort should be made to achieve a more flexible application of the procedure for transfers between sections of the budget.[5] In relation to results-based budgeting, the Committee pointed to the need to bear in mind the general principle that additional flexibility should be accompanied by additional accountability (A/55/543, para. 16). **The Advisory Committee reiterates that additional flexibility must be accompanied by a comprehensive and effective system of accountability (see paras. 6-9 above and General Assembly resolution 60/260, sect. I, para. 1). This includes the accountability of the Secretary-General to Member States, bearing in mind that it is the General Assembly which continues to exercise overall authority over the finances of the Organization, in accordance with Article 17 of the Charter.**

30. The Advisory Committee recalls that the General Assembly, in paragraph 35 of its resolution 57/300 of 20 December 2002, took note of the request of the Secretary-General for a degree of flexibility to reallocate resources between programmes and between allocations for personnel and other allocations within a single budget period and in exceptional circumstances, and requested the Secretary-General to develop criteria for the use of any such authorization, proposed modalities for reporting the duration and programmatic impacts of reallocations, including specification of the exceptional circumstances in which it would be used, and to report thereon to the Assembly, through the Advisory Committee, for its consideration at its fifty-eighth session. The Committee was informed that the requested report has not been submitted.

31. **The Advisory Committee studied the proposals of the Secretary-General against the above-mentioned background. It is, however, of the opinion that the current proposals of the Secretary-General lack sufficient clarity and detail to be ripe for consideration at the present stage (see also para. 3 above).** For example, the Committee notes in paragraph 16 (f) of A/60/846/Add.2 a reference to "10 per cent of the approved programme budget". However, in paragraph 35 (a) of the document, the Secretary-General requests authorization to "transfer up to 10 per cent of appropriations". Aside from the question of whether this amount is of the net

[5] *Official Records of the General Assembly, Forty-sixth Session, Supplement No. 7* (A/46/7), para. 22.

or the gross budget (see the clarification in para. 27 above), the Committee was unable to establish definitively whether the 10 per cent refers to the entire budget or to individual sections of the budget; moreover, if it does refer to the entire budget, it is unclear if the amount is to be 10 per cent of the whole, or only 10 per cent of the total appropriation for those parts which contain more than one section. Further complicating the matter, the proposed amendment to financial regulation 5.6, as contained in paragraph 35 (b) of A/60/846/Add.2, makes no reference to any percentage at all, but simply provides for a blanket authority "to make transfers between appropriation sections, within parts, during implementation of the budget". Also, the Committee notes the lack of a full response to the requests of the General Assembly in paragraph 35 of its resolution 57/300 (see para. 30 above).

32. **Under the circumstances, the Advisory Committee recommends that the General Assembly request the Secretary-General to rework his proposal. His resubmission should clarify the issues referred to in paragraphs 29 to 31 above and establish that the integrity of the programme budget process would continue to be respected. The Secretary-General should also provide a full analysis and justification of the scope and level of discretionary authority requested, including information on any instance in which the need for greater discretionary authority was made evident.**

33. As pointed out in paragraph 28 above, the Secretary-General does not currently have the authority to effect transfers between post and non-post resources, even within sections. However, in actuality such transfers are made and reported in the first and second performance reports. **While this technically complies with current procedures (since the performance reports contain only proposed estimates), the Advisory Committee is of the view that the situation should be rectified and that the Secretary-General should submit a proposal in this regard as soon as possible.**

B. Adjustments to the staffing table

34. In paragraph 35 (c) of A/60/846/Add.2, the Secretary-General proposes that the General Assembly approve three broad grouping of posts for budgetary implementation, namely (a) category I: D-1/D-2; (b) category II: P-1 to P-5, inclusive of National Officer and Field Service posts; (c) category III: General Service (Other level), General Service (Principal level), Local level and Trades and Crafts. In paragraphs 35 (d) and (e), the Secretary-General proposes that he be requested to ensure that, in exercising management of the groups of posts, the staffing table for the Secretariat as a whole and the level of the overall appropriation be respected and that he report to the General Assembly on the management of the staffing table in the context of the first and second performance reports on the programme budget.

35. The Advisory Committee notes that, in accordance with the parameters defined in the report (A/60/846/Add.2, paras. 28-32), authority would be granted to the Secretary-General, within the approved staffing table for the Secretariat as a whole for a given budget period, for post actions (redeployment, reclassification and conversion) to be undertaken for up to 10 per cent of posts within and between the three broad categories without affecting the total number of posts authorized for the

period. As noted in paragraph 28 of the report, the Secretary-General is not seeking any discretionary authority with regard to the creation or suppression of posts.

36. **The Advisory Committee, as noted in the report A/60/846/Add.2, has consistently supported greater discretionary authority in this area. In this connection, the Committee recalls that, in its first report on the proposed programme budget for the biennium 2004-2005, it recommended that the staffing table should be managed as a whole and that existing authority for the Secretary-General to reclassify posts be refined so as to provide the ability to reclassify posts from G-1 to G-6 and from P-1 to P-5, provided that the overall number of posts in each grade does not change.[6] The General Assembly has yet to definitively pronounce itself on these recommendations (see General Assembly resolution 60/246). Moreover, any proposals to redeploy up to 10 per cent of posts within or between the specified categories is linked to the proposal concerning transfers between budget sections and, as such, needs to be clarified (see para. 31 above). The Advisory Committee will therefore reserve judgement on this proposal until the Assembly has made a policy decision on the matter.**

IV. Financial management practices (A/60/846/Add.3)

37. The proposals of the Secretary-General concerning the adoption of IPSAS, the financial management of peacekeeping operations, the level of the commitment authority for peacekeeping operations, the level of the Working Capital Fund, the treatment of budget surpluses, the establishment of a fund to accommodate unanticipated expenditures arising from exchange rate fluctuations and inflation and the charging of interest on arrears in a Member State's assessed contributions are contained in A/60/846/Add.3. The specific action to be taken by the General Assembly on all of these proposals is outlined in paragraph 112 of the document. The observations and recommendations of the Advisory Committee are contained in paragraphs 38 to 65 below.

A. International Public Sector Accounting Standards

38. In paragraph 22 of A/60/846/Add.3, the Secretary-General proposes the adoption by the United Nations of IPSAS as part of a United Nations system-wide adoption of IPSAS by 2010 at the latest, and the appropriation of $2,009,700. As noted in paragraph 12 of the document, the United Nations System Chief Executives Board for Coordination (which is chaired by the Secretary-General) has endorsed a recommendation from its High-level Committee on Management for the adoption of IPSAS throughout the United Nations system. Upon request, the Advisory Committee was provided with a description of the basic differences between the United Nations System Accounting Standards (UNSAS) and IPSAS, together with a summary of the advantages and disadvantages of the latter (see annex VI.A).

39. The Secretary-General's proposal is based on phased implementation within the broader United Nations system, by which a few pilot organizations, or early adopters, would implement the Standards effective 1 January 2008, while the majority of organizations would implement them effective 1 January 2010. Upon

[6] Ibid., *Fifty-eighth Session, Supplement No. 7* (A/58/7), para. 74.

request, the Advisory Committee was provided with a table showing the timing of submission of reports concerning the adoption of IPSAS to the governing bodies of the organizations of the United Nations system (see annex IV).

40. At present, the Secretary-General estimates the costs to be borne by the United Nations from 2006 to 2010 at $23 million (see A/60/846/Add.3, annex II). For the biennium 2006-2007, estimated requirements amounting to $2,009,700 provide for four posts (1 P-5, 1 P-4, 1 P-3 and 1 General Service (Other level)) and related costs under section 28B, Office of Programme Planning, Budget and Accounts ($1,428,900), section 28D, Office of Central Support Services ($108,600) and section 35, Staff assessment ($48,200), to be offset by an equivalent amount under income section 1, Income from staff assessment, as well as for estimated requirements under section 30, Jointly financed administrative activities ($424,000) relating to the portion of cost-shared system-wide activities. Upon request, the Committee was provided with additional information concerning the functions to be carried out by the staff requested (see annex V).

41. As indicated in paragraph 18 of A/60/846/Add.3, the United Nations strategy is to integrate the adoption of IPSAS into the proposed upgrading of its information technology systems and the replacement of IMIS with an enterprise resource planning system. As noted in paragraph 19 of the document, IPSAS are compatible with off-the-shelf accounting software. A provisional timetable for the adoption and implementation of IPSAS by the United Nations is provided in annex II to the document.

42. **It is clear to the Advisory Committee that the Organization should move from UNSAS to IPSAS. Inasmuch as the decision to replace IMIS with a next-generation enterprise resource planning system is contingent upon the completion of the comprehensive report proposed by the Secretary-General in paragraph 80 (d) of A/60/846/Add.1, it is the view of the Committee that the proposed timetable for implementation should be realistic and would need to be synchronized with the introduction of any new information technology system. The Committee therefore recommends the adoption of IPSAS and approval of the requested resources to begin its implementation, with the stipulation that expenditure relating to the information technology aspect of implementation should await a definitive decision by the Assembly on the system to be used.**

B. Financial management of peacekeeping operations

(a) Consolidation of peacekeeping accounts

(b) Consolidation of resolutions on the financing of peacekeeping operations

(c) Consolidation of peacekeeping assessments

(d) Delinking of peacekeeping assessments from Security Council mandates

(e) Utilization of unencumbered balances, interest and other miscellaneous income

(f) Consolidation of individual performance reports

(g) Credits to Member States

(h) Settlement of outstanding liabilities in the accounts of closed peacekeeping operations

43. The specific action to be taken by the General Assembly on the financial management of peacekeeping operations is outlined in paragraphs 36 and 112 (b) to (i) of A/60/846/Add.3.

44. In paragraph 29 of the document, the Secretary-General indicates that the consolidation of peacekeeping accounts into a single account would permit more consistent and timely reimbursement to troop- and police-contributing countries, facilitate planning for Member States, facilitate the review of the financing of peacekeeping operations by the legislative bodies, allow greater flexibility in the use of peacekeeping resources and simplify the legislative and administrative processes for the financing of peacekeeping operations.

45. The Advisory Committee notes the advantages described by the Secretary-General. There are, however, certain difficulties, a number of which were referred to by the Committee in its report dated 4 April 2003 (A/57/772). In paragraph 27 of that report, the Committee noted that the Secretary-General himself had acknowledged that the approach outlined in his report of the feasibility of consolidating the accounts of the various peacekeeping operations (A/57/746) was not compatible with current financial procedures required under the Financial Regulations and Rules of the United Nations. Moreover, it pointed out, in particular, that the delinking of assessments from Security Council action on individual mandates might create complications for some Member States which, in accordance with their domestic legal requirements, require such Security Council action before they could pay assessments.

46. In response to the Committee's continued concern regarding the need to maintain a direct link between peacekeeping assessments and the specific mandates (mandate periods) approved for each mission by the Security Council, the Secretariat outlined an approach to consolidation which could be adopted to maintain the link. In this scenario, assessments would be issued four times during each peacekeeping financial period, that is, in July, October, January and April to coincide with the most current Security Council mandates. Each assessment would be based on the amount approved for each mission and prorated to reflect the duration of the mission's Security Council mandate within the peacekeeping financial period. To reflect that approach, the Secretariat provided the Committee with a revised version of the proposal in paragraph 36 (d), which read, as follows:

> "(d) Approve the issuance of consolidated peacekeeping assessments quarterly during each peacekeeping financial period (in July, October, January and April), based on the approved appropriation line for each peacekeeping mission and the mandate periods approved for each mission by the Security Council, subject to the provision that such assessments should also cover any outstanding unassessed appropriations from prior financial periods".

The Committee was also provided with an illustrative table showing the impact of consolidation while retaining the linkage between assessments and the mandate (mandate period) approved by the Security Council (see annex VII).

47. **Thus, it appears that the problem of the delinking of assessments from Security Council action is being addressed. However, a more fundamental issue remains, namely, since peacekeeping operations have a history of problems with withheld or late payments, those which pay their assessments promptly and in full will be subsidizing those which do not. Indeed, the Secretary-General acknowledges that overall availability of cash would continue to depend on the overall prompt payment of assessments by Member States (A/60/846/Add.3, para. 29 (a)). It is for Member States to decide whether or not the managerial advantages of consolidation of peacekeeping accounts outweigh this basic fact. Consideration of the related proposals of the Secretary-General (A/60/846/Add.3, paras. 112 (b)-(d) and (f)-(i)) depends on such decision as the General Assembly may take with regard to the underlying issue of consolidation of accounts.**

48. **The Advisory Committee expects that, whatever the decision reached, the scope and quality of information provided on the financing of peacekeeping operations will remain undiminished.**

C. Commitment authority for peacekeeping operations

49. In paragraphs 59 and 112 (j) to (l) of A/60/846/Add.3, the Secretary-General proposes increasing the upper limit of the authority to enter into commitments from the present $50 million to $150 million, regardless of the number of Security Council decisions; increasing the delegation of commitment authority to the Advisory Committee to $150 million; and revising financial regulations 4.6 and 4.8 accordingly.

50. The current arrangements for commitment authority are set out in section IV, paragraph 1, of General Assembly resolution 49/233 A of 23 December 1994. The arrangements for commitment authority prior to the approval of a mandate were endorsed by the General Assembly in its resolution 56/292 of 27 June 2002. By its resolution 59/299 of 22 June 2005, the Assembly approved the inclusion of strategic deployment stocks replenishment within the commitment authority described in resolution 49/233 A (i.e., without raising the ceiling). The argument for raising the level of individual commitment authority is based on the perceived need to increase the speed with which strategic deployment stocks are reconstituted in order to maintain the readiness of the Department of Peacekeeping Operations to deploy subsequent missions in a timely manner, as well as on the proposed inclusion in the pre-mandate authority of resources for a dedicated planning team in the Department of Peacekeeping Operations and technical assessment missions. The Secretary-General asserts that the increase in the level of the commitment authority would permit the replenishment of strategic deployment stocks before the initial budget of mission is finalized and a commitment authority or appropriation with assessment is approved by the Assembly, "which can take up to 90 days" after the Security Council adopts a resolution (A/60/846/Add.3, para. 47). The estimated costs associated with the proposed rapid deployment sequence for a complex mission, as set out in the table following paragraph 48 of A/60/846/Add.3, amount to $153.6 million and the estimated cost of the dedicated planning team of 43 temporary posts for a six-month period for a complex mission to $7.2 million. As indicated in paragraph 51 of the document, the composition of the dedicated planning team would be determined on a case-by-case basis and presented to the Advisory

Committee for its review and concurrence as part of the pre-mandate commitment authority.

51. The Advisory Committee enquired as to whether there had been a case in which the existing $50 million ceiling applying to each Security Council decision had presented a problem. It was informed that only in the case of the Sudan had strategic deployment stocks shipped in the first 120 days of the start-up phase approached $50 million. The Committee was also informed that the mission foreseen for Darfur could come close to the $50 million; however, it was not clear what the structure of the mission would be.

52. **The Advisory Committee points out that the current level of commitment authority was set in 1994 in response to a spike in peacekeeping activities. One of the concerns in setting the level at that time was a desire to avoid putting in place permanent measures to deal with an anomaly. As was the case in 1994, it is not clear that the current heightened level of peacekeeping activity will continue. Furthermore, as noted in paragraph 39 of A/60/846/Add.3, under the terms of resolution 49/233 A, if a decision of the Security Council results in the need for the Secretary-General to enter into commitments for the start-up phase of peacekeeping operations in an amount exceeding $50 million per decision of the Security Council, or exceeding a total of $150 million, the matter is brought to the General Assembly as soon as possible for a decision on commitment authority and assessment.**

53. **Moreover, commitment authority, by its nature, is decided upon on an urgent basis for the start-up phase of a mission when there is no time for the considered reasoning that goes into preparing a full budget and setting up an organizational structure. The Committee has, in the past, cautioned the Secretariat not to present de facto budgets in connection with requests for commitment authority because the Committee does not want to be in a position in which it would, in essence, agree to a budget and all the decisions that go along with it, without the necessary time for proper elaboration and consideration.**

54. **For the reasons stated above, the Advisory Committee recommends that the current procedures for granting of commitment authority be maintained.**

D. Working Capital Fund

55. In paragraphs 68 and 112 (m) of the addendum, the Secretary-General proposes an increase in the level of the Working Capital Fund from the current $100 million to $250 million. The Advisory Committee recalls the views it expressed on the matter in 1990, as follows:

> "In the opinion of the Advisory Committee, the Working Capital Fund is a mechanism for ensuring an orderly cash flow which can only work properly when the financial regime of the Organization is respected by Member States; an increase in its size should only be contemplated as a purely technical consequence of an increase in the size of the Organization's assessed budgets and not as a solution to a political problem" (A/45/860, para. 4).

56. In making his proposal, the Secretary-General notes that, in 1963, the level of the Fund ($40 million) represented 43.1 per cent of the annual budget. In 1981, in

response to the fact that the level of the Fund had declined to 6 per cent of the budget, the decision was made to increase it to $100 million. The level of the Fund has not changed since that time, despite proposals to increase it. The Advisory Committee was informed that, in 1981, $100 million represented 14.9 per cent of the budget for one year. It now stands at approximately 5.2 per cent of the current regular budget for one year.

57. **The Advisory Committee remains of the view (see A/60/735 and Corr.1, para. 29) that the proposal to increase the level of the Working Capital Fund and the manner in which any such increase would be financed, are policy matters for decision by the General Assembly.**

E. Budget surpluses

58. The Advisory Committee notes that the proposals of the Secretary-General do not apply to surpluses from efficiency gains, which, in accordance with General Assembly resolution 52/12 H of 9 January 1998, should be credited to the Development Account. As stated in paragraph 69 of the addendum, under financial regulations 5.3 to 5.5, budgetary surpluses are returned to Member States after a financial period. Those financial regulations have been suspended on a number of occasions as a measure to deal with the Organization's financial problems. The current balance of retained surpluses stands at $124 million ($68.4 million for the regular budget, $19.6 million for the United Nations Interim Force in Lebanon (UNIFIL) and $36 million for the United Nations Emergency Force (UNEF)/the United Nations Disengagement Observer Force (UNDOF)). As the Secretary-General points out, the extent to which such a measure achieves the objective of increasing the cash available to the Organization depends on the extent to which Member States pay the additional assessments stemming from the retention of surpluses.

59. As indicated in paragraph 72 of A/60/846/Add.3, the Committee on Contributions has, in the past, considered the possibility of making the return of unencumbered balances and surpluses dependent on the status of a Member State's payment of assessed contributions, as a measure to encourage the payment of arrears. It decided not to consider measures to encourage the payment of arrears further unless it receives guidance thereon from the General Assembly.

60. In paragraph 75 A/60/846/Add.3, the Secretary-General proposes that the General Assembly may wish: (a) to decide on the temporary retention of budgetary surpluses through the suspension of the relevant parts of financial regulations 5.3, 5.4 and 5.5; and (b) to decide whether the future distribution of surpluses might be applied to (i) establishing a fund to accommodate unanticipated expenditure arising from exchange rate fluctuations and inflation, (ii) meeting the Organization's unfunded liabilities arising from the after-service health insurance scheme or (iii) financing an increase in the Working Capital Fund.

61. **The Advisory Committee points out that the General Assembly, which has recognized the end-of-service accrued benefit liabilities reported by the Secretary-General (see Assembly resolution 60/255 of 8 May 2006, sect. III, para. 3), has yet to take a decision on the measures proposed by the Secretary-General in his report of 27 October 2005 (A/60/450 and Corr.1) to fund accrued liabilities for after-service health insurance benefits, which include proposals to**

utilize budget surpluses. Therefore, action on the utilization of budget surpluses should await a decision by the Assembly on that matter. The Committee's views on the establishment of a fund to cover unanticipated expenditures arising from exchange rate fluctuations and inflation are set out in paragraphs 62 to 64 below. The Committee's views on the proposal to increase the Working Capital Fund are contained in paragraphs 55 to 57 above.

F. Fund to accommodate unanticipated expenditures arising from exchange rate fluctuations and inflation

62. In paragraphs 101 and 102 of A/60/846/Add.3, the Secretary-General proposes the establishment of a reserve fund for adjustments resulting from variations in respect of currency fluctuations, inflation in non-staff costs and statutory cost increases for staff and suggests that the Assembly may wish to consider the mode of funding such a reserve fund (through retained surpluses or by new assessments).

63. As noted in paragraphs 96 to 98 of A/60/846/Add.3, the proposal for the establishment of such a reserve fund at an initial level of $150 million was submitted to the General Assembly in part D of the introduction to the proposed programme budget for the biennium 2006-2007 (A/60/6 (Introduction)). The Advisory Committee commented on the proposal in its first report on the proposed programme budget for 2006-2007 (A/60/7, paras. 100 and 101) and again in its report on the Secretary-General's initial reform proposal (A/60/735, para. 31). No decision was taken by the Assembly at the main part of its sixtieth session.

64. **The Advisory Committee's position on this matter is well documented, both in its own reports and in the report of the Secretary-General under consideration (A/60/846/Add.3). The Committee remains of the view that the problems associated with the establishment of such a fund outweigh any possible advantages. It therefore, once again, recommends continuation of the current system, whereby requirements are adjusted annually on the basis of the most recent forecast by the Secretary-General of inflation and exchange rates.**

G. Charging of interest on arrears in a Member State's assessed contributions

65. In paragraph 107 (a) of A/60/846/Add.3, the Secretary-General proposes that the General Assembly consider charging interest on Member States' arrears of assessed contributions. **The Advisory Committee is of the view that it is for the General Assembly to decide whether it wishes to revisit this issue.**

V. Improving reporting mechanisms, including public access to United Nations documentation (A/60/846/Add.4)

66. A/60/846/Add.4 details proposals concerning the development of a single annual report of the Secretary-General on the performance of the Organization, streamlining of management and finance-related reports and public access to United Nations documentation. Specific actions to be taken by the General Assembly are outlined in paragraph 49 of the addendum.

A. Comprehensive annual report containing both financial and programme information

67. In paragraph 49 (a) of A/60/846/Add.4, the Secretary-General proposes that the General Assembly may wish to take note of his intention to submit a single comprehensive annual report which would contain both financial and programme information. The proposed structure of the report is described in paragraph 12 of the addendum. The Committee notes, that as indicated in paragraph 17 of the addendum, requirements for the production of the 2005 report would be met from within resources approved under the programme budget for the biennium 2006-2007, but that additional resources would be required in the future under section 1, Overall policymaking, direction and coordination, for annual audits of financial statements by the Board of Auditors. As indicated in the same paragraph, the quantum of resources and programmatic implications for the Board are currently under review by the Board.

68. **The Advisory Committee welcomes the intention of the Secretary-General to prepare and submit to the General Assembly a single comprehensive annual report containing both financial and programme information. However, in the view of the Committee, there is a need to define more clearly the purpose of the report and the target audience.** In paragraph 9 of addendum 4, for example, the Secretary-General states that the report, "given its blending of strategic perspective and performance analysis of the key programmes, is intended to be a tool to enhance accountability of the Secretariat to Member States and to the public at large" and in paragraph 10 that it would "provide the information necessary for the General Assembly and the global public to assess the Organization's performance and management of resources". In paragraph 8, it is stated that the report "would not require action by Member States".

69. **The Advisory Committee believes that the attempt to provide one report to serve the needs of both the general public and Member States will result in a document that is too technical for the former and too general for the latter. The Committee recommends therefore that, at this stage, the Secretary-General concentrate on developing a comprehensive financial and programme report for the General Assembly. The Committee also recommends that most of the appendices be eliminated; they would contain information which is, for the most part, readily available on websites or elsewhere. In the opinion of the Committee, the comprehensive financial and programme report would, for the time being, complement and not replace the report of the Secretary-General on the work of the Organization required under Article 98 of the Charter.**

B. Consolidation of related reports

70. In paragraph 49 (b) of A/60/846/Add.4, it is proposed that the General Assembly may wish to welcome the ongoing efforts of the Secretary-General to consolidate reports on related subjects, if so decided by the Main Committees, and endorse the consolidation of 45 reports into 6, as reflected in annex I to addendum 4.

71. **The Advisory Committee welcomes efforts to consolidate reports, and has sought to do so in its own reporting on related subjects. The Committee notes**

that the bulk of the reports to be consolidated (34) are dependent on a decision of the Assembly on the proposals to consolidate the financial performance reports and budgets of the peacekeeping operations as set out in addendum 2 to the report of the Secretary-General and discussed in paragraphs 43 to 47 above. Should the General Assembly not accept those proposals, the consolidation would be from 45 reports to 38.

C. Public access policy

72. In paragraph 49 (c) of A/60/846/Add.4, the Secretary-General proposes that the General Assembly may wish to take note of the Secretary-General's new policy for public access to United Nations documentation, which is outlined in paragraphs 31 to 41 of the addendum. Under the new policy, all United Nations departments and offices, including offices away from Headquarters, peacekeeping missions, special political missions and tribunals are to make available to the public any document produced or received by the United Nations, subject to a number of exceptions enumerated in paragraphs 33 and 34 of the addendum. The policy is to be implemented in two phases, the first from 2006 to May 2008, and the second from June 2008 onwards. The plan of action for implementation of the policy is set out in paragraphs 42 to 44 of addendum 4.

73. It is estimated that total requirements will amount to $6,773,000. For the biennium 2006-2007, the Secretary-General requests appropriation of an amount of $1,820,900 to provide for three posts (1 P-5, 1 P-4 and 1 General Service (Other level)) and non-post resources under section 28 D, Office of Central Support Services ($1,743,800) and section 35, Staff assessment ($77,100) to be offset by an equivalent amount under income section 1, Income from staff assessment. Upon request, the Advisory Committee was provided with a detailed breakdown of the requirement (see annex VIII).

74. **The Advisory Committee welcomes the Secretary-General's efforts to elaborate a clear and systematic policy for public access to United Nations documentation and trusts that the text of the policy, when it is fully elaborated, will be made available to the General Assembly. In the view of the Committee, before action is taken to implement the new policy, it is important to explore the possibility of a fee structure and financing mechanisms, where appropriate. The Committee also points to the importance of adequate measures to ensure multilingualism in accordance with General Assembly resolution 59/309 of 22 June 2005.**

Annex I

Summary of additional requirements for the biennium 2006-2007 by proposal, budget section and related paragraph references

Proposal	Paragraph reference for summary resource requirements	Posts			Resource requirements (US dollars)					
		Section 28 A, OUSG/M	*Section 28 B, OPPBA*	*Section 28 D, OCSS*	*Section 28 A, OUSG/M*	*Section 28 B, OPPBA*	*Section 28 D, OCSS*	*Section 30, Jointly financed administrative activities*	*Section 35, Staff assessment*	*Total*
Under proposal 8 (see A/60/692), the post of Chief Information Technology Officer would be created, at the Assistant Secretary-General level, to oversee the creation and implementation of an effective information management strategy.	A/60/846/Add.1, paras. 15, 80 (a), 80 (c)	1 ASG	—	—	145 600	—	166 000	—	23 900	335 500
Under proposals 9-10 (see A/60/692), an urgent upgrading of Secretariat-wide ICT systems would be undertaken.	A/60/846/Add.1, paras. 79, 80 (c)[a]	—	—	—	1 860 000		300 000		55 200	2 215 200
Under proposal 17 (see A/60/692), the United Nations would, inter alia, adopt the International Public Sector Accounting Standards (IPSAS) for its financial statements as part of a United Nations system-wide adoption of IPSAS by 2010.	A/60/846/Add.3, paras. 21, 22, 112 (u)		1 P-5, 1 P-4, 1 P-3, 1 GS (OL)		—	1 428 900	108 600	424 000	48 200	2 009 700
Under proposal 19 (see A/60/692), improvements would include a policy that will make possible clearer rules for public access to Secretariat documentation	A/60/846/Add.4, paras. 48, 49 (d)			1 P-5, 1 P-4, 1 GS (OL)			1 743 800		77 100	1 820 900
Total		**1 post**	**4 posts**	**3 posts**	**2 005 600**	**1 428 900**	**2 318 400**	**424 000**	**204 400**	**6 381 300**

[a] Requirements include staff assessment of $55,200 related to general temporary assistance provisions for replacement of staff seconded to the user needs definition process (under proposals 9-10).

Abbreviations

OUSG/M, Office of the Under-Secretary-General for Management; OPPBA, Office of Programme Planning, Budget and Accounts; OCSS, Office of Central Support Services.

Annex II

IMIS gap study: overview of key gaps identified in IMIS and other existing tools

A. Financial management

IPSAS requirements	*Functional gaps identified in IMIS and other existing tools*
• Recognition of non-current asset acquisition, impairment and/or disposal • Recognition and tracking of inventory acquisition and sale/disposal	• Full integration between fixed asset system (finance) and inventory systems (supply chain management)
• Recognition of accrued liability[TP][PT][a] in relevant statement of financial position	• Tracking, ageing and monitoring of billing, invoices and receivables
• Recognition of voluntary receipt of funds	• Customer relations management capabilities for purposes of billing generation, receipt of funds generation, monitoring and tracking of current and historical billing and adjustment detail
• Recognition of liabilities for employee benefit obligations such as After-Service Health Insurance, annual leave, pension and repatriation grants	• Full and real-time accounting of applicable human resources benefits obligations as liabilities in finance systems

[a] [TP][PT] accrued liabilities are liabilities which have occurred, but have not been paid during an accounting period. Examples would include accrued wages payable, accrued sales tax payable and accrued rent payable.

	Strategic aspirations	*Functional gaps identified in IMIS and other existing tools*
Budgeting	• Global performance and/or results-based budgeting and activity [project] based budgeting • Real-time budget implementation and reporting	• Budget implementation module that connects non-financial with financial data for performance monitoring and updating of budget • Budget preparation module that aids in planning and defence of budget (financial and non-financial data) from project manager level up

	Strategic aspirations	*Functional gaps identified in IMIS and other existing tools*
Treasury	• Improved cash management to maximize leverage of funds in transit while minimizing risk • Improved forecasting	• Maintenance of accounts in multiple currencies • Cash pooling capabilities • Automated reconciliation of bank accounts • Full integration between billing, invoicing, accounting and payments processing systems
Commercial services and travel	• User self-service • Monitor expenditure at activity level • Institute customer relations management	• Automation of travel request pre-process • Automation of interactions between United Nations and travel agency • Customer relations management capabilities
Accounting	• Institution of IPSAS • Consistent worldwide data on a timely basis	• Tracking, ageing, monitoring of invoices and receivables • Automated opening, closing and reconciliation of accounts • Fully integrated accounting ledgers that truly incorporate human resources and supply chain management information auto finance
Contributions	• Automate assessment and billing process • Be able to provide real-time information on Member State's account to customer	• Billing generation, monitoring and tracking • Tracking historical billing and adjustment detail • Receipt generation • Customer relations management capabilities

B. Human resources management

	Strategic aspirations	*Functional gaps identified in IMIS and other existing tools*
Staffing and recruitment	• Effectively develop strategic workforce planning capacity (medium/long term) and departmental/office planning capacity (short/medium term) to meet General Assembly mandates • Upstream staffing and recruitment in order to rapidly and efficiently meet recruitment goals with talented staff	• Workforce planning tools: scenario analysis, simulation, mission planning templates • Roster management • Automation of all recruitment functions (e.g. entry-level, General Service, consultant, 200 series, language recruitment, intern placement)
Staff administration	• Consistent administration across staff type and duty station • Increased transparency and staff responsiveness • Reduce administrative burden	• Administration of all staff and non-staff in a single system • Increased self-service capabilities to reduce administrative burden (e.g. data input)
Staff development	• Actively and effectively promote staff professional development • Effective management of mobility programme	• Skills inventory and skills development tracking, fully linked to recruitment and performance records • Staffing, table management (position, not post management), to track historical and current location/job function of every individual
Compensation	• Accurately process payroll across staff type and duty station	• Conduct local mission staff payroll through IMIS • Incorporation of non-staff payment • 24/7 access to IMIS

C. Supply chain management

	Strategic aspirations	*Functional gaps identified in existing tools*
Demand forecasting	• Compile demand estimates through statistical analyses of comprehensive datasets • Contribute to reduced volatility in procurement process	• Generation of standardized, accessible consumption rate reports to enable forecasting • Organization-wide resource need assessment • Creation and tracking of efficiency indicators

	Strategic aspirations	*Functional gaps identified in existing tools*
Procurement	• Improve transparency in procurement and vendor performance management processes	• Tracking capability from requisition to delivery (with no manual entry) • Access to comprehensive vendor history incorporating prior performance reviews • Automation of procurement process, including receipt and inspection, certification, claims, damage and discrepancy • Link purchase order to asset throughout process
Logistics	• Improve visibility across supply chain • Accommodate diverse organizational needs	• No system to integrate finance, procurement and asset management • Galileo's inventory tracking and management functionality does not link to IMIS • Significant parts of the logistics process are not automated at all
Disposal	• Ability to undertake global asset disposal	• No systems to handle various requirements relating to asset disposal • Inventory and asset management completely distinct from finance

D. IMIS system gaps and issues

Technical criteria	*IMIS observations and technical assessment*
Consolidation	• Multiple databases feed into a reporting database but users have access to both the reporting database and field databases. Reports can therefore access conflicting versions of data depending on choice of database. No single, global, integrated view of data exists. Consolidation would require a major enhancement of the entire application.
Integration	• Modules not found in IMIS have either been purchased off the shelf and interfaced with IMIS on an as-needed basis or built internally by the IMIS team over time. IT portfolios and their corresponding databases have proliferated and thus do not work as a unified whole. Real-time information is next to impossible to access among heterogeneous systems. IMIS does not provide a strong base for integration.

Technical criteria	*IMIS observations and technical assessment*
Availability	• Due to batch runs, maintenance and backups, access to IMIS can be limited at certain times. Users in the field are at times forced to alter work schedules in line with system availability.
Speed	• Application sometimes "stalls" and there is a lag time in processing the data entered. In existing IMIS, collection of information and application processing are integrated, which can reduce the speed of the application. The newer IMIS application allows IMIS to function like modern web-based applications, improving IMIS performance over a wide-area network.
Security	• No user-friendly integrated access to various IMIS and related system databases.
User interface	• User interface is not intuitive. Learning curve for new users is approximately 3-6 months and users have noted vague error messages and need for detailed training and access to training manuals as barriers to making full use of the application. Only central access to the application is available from designated United Nations locations.
Longevity	• IMIS written in Java connected to a Sybase database. Existing IMIS depends on specialized technologies that have very small user communities, reducing their probability of longevity. The newer IMIS application elements are based on Java, which somewhat addresses this concern.

E. Special needs of the Department of Peacekeeping Operations and other stakeholders

	Strategic aspirations	*Functionality gaps identified in existing tools*
Department of Peacekeeping Operations (DPKO)	• Anytime, anywhere access to financial, human resources and supply chain management information	• Ability to effectively function on DPKO wide-area network composed of satellite connections and intermittent connectivity challenges • Support for drastically increased user base on a "thin client" basis
Commercial services and travel	• User self-service • Monitor expenditure at activity level • Institute customer relations management	• Automation of travel request pre-process • Automation of interactions between United Nations and travel agency • Commercial services customer relations management and finance capabilities

Annex III

Breakdown of the programme budget for 2006-2007 by part

	Amount approved in General Assembly resolution 60/247 (US dollars)	
Parts of the budget with more than one section		
Part I. Overall policymaking, direction and coordination	661 589 700	
Part II. Political affairs	552 405 800	
Part III. International justice and law	77 246 300	
Part IV. International cooperation for development	372 156 400	
Part V. Regional cooperation for development	425 715 500	
Part VI. Human rights and humanitarian affairs	209 058 900	
Part X. Jointly financed administrative activities and special expenses	103 976 800	
Subtotal [1]	**2 402 149 400**	**63.2%**
Parts of the budget with only one section		
Part VII. Public information	177 302 500	
Part VIII. Common support services	511 375 800	
Part IX. Internal oversight	31 330 100	
Part XI. Capital expenditures	74 841 300	
Part XII. Safety and security	190 131 400	
Part XIII. Development Account	13 954 100	
Part XIV. Staff assessment	397 827 900	
Subtotal	**1 396 763 100**	**36.8%**
Total	**3 798 912 500**	

Annex IV

Timing of IPSAS adoption reports to governing bodies of United Nations system organizations

Organization	*Submission of report to governing body*	*Comments*
Food and Agriculture Organization of the United Nations (FAO)	May/September 2006 To Council, in 2007	FAO raised the issue of IPSAS adoption with its Finance Committee in May 2006. Adoption by FAO will require a recommendation by the Finance Committee to the FAO Council and approval by the FAO Conference in 2007. At the May 2006 session, the Finance Committee expressed its agreement in principle with adoption of the new standards, subject to decisions on the matter by the General Assembly. The Finance Committee will consider in September 2006 formal approval of IPSAS adoption.
International Atomic Energy Agency (IAEA)	April/May 2006	IAEA has informally (at the Finance and Administrative Workshop, April 2006) and formally (to the Finance and Budget Committee, May 2006) presented the proposed "United Nations system-wide IPSAS adoption by 2010" to the member States. At this stage, IAEA does not have a definite time frame for presentation of the adoption proposal to the member States.
International Civil Aviation Organization (ICAO)	February/April 2006	In February 2006, the ICAO Secretary General informed its governing body (ICAO Council) concerning IPSAS adoption. In addition, the impact of the adoption was presented to the Finance Committee of the ICAO Council in April 2006, which approved the detailed changes in process and reporting. At its next session, in June 2006, the Council will consider the impact of IPSAS adoption on ICAO and will be invited to approve the implementation of the action plan for the IPSAS adoption in 2008.
International Fund for Agricultural Development (IFAD)	See comment	IFAD has already adopted International Financial Reporting Standards (IFRS). This is consistent with the IPSAS requirement that government business enterprises, including financial institutions such as banks and lending agencies, apply IFRS.
International Labour Organization (ILO)	June/November 2006	ILO has had an informal discussion on IPSAS adoption at the meeting of the Programme, Finance and Administrative Committee of the Governing Body in June 2006 and will have a formal discussion during the November 2006 session of the Governing Body.

Organization	*Month-year that report goes to governing body*	*Comments*
International Maritime Organization (IMO)	96th Council session, 19-23 June 2006	IMO will be introducing the proposed change from UNSAS to IPSAS to the Council at its forthcoming 96th session which will be held from 19-23 June. Further developments will be presented at the Council's 97th session scheduled to be held from 6-10 November and regular updates (when appropriate) at subsequent sessions. The Council usually meets in June and November annually.
International Telecommunication Union (ITU)	April 2006/ June 2006	ITU raised the issue of IPSAS adoption with its Council in April 2006. At the April 2006 session, the ITU Council requested the ITU Financial Working Group to analyse the impact of the cost of IPSAS implementation. The ITU Financial Working Group has scheduled a meeting for 26 June 2006, at which the cost information will be presented.
United Nations Development Programme (UNDP)	June/September 2006	Information paper to be submitted to the Executive Board in June. If the General Assembly takes a decision prior to the September Executive Board meeting, then a paper for approval of IPSAS adoption will be presented at the September meeting.
United Nations Educational, Scientific and Cultural Organization (UNESCO)	September/ October 2006	An Executive Board document is under preparation for the autumn session (September/October 2006).
United Nations Population Fund (UNFPA)	September 2006 or later	UNFPA is tied in with UNDP. Once UNDP formally commits itself to a date, UNFPA will plan on taking the adoption of IPSAS up with the Executive Board.
Office of the United Nations High Commissioner for Refugees (UNHCR)	June 2006, raised informally	15 June 2006 informal consultation.
United Nations Children's Fund (UNICEF)	United Nations General Assembly timing	Once the General Assembly has made a decision on IPSAS adoption the UNICEF Board will be informed of the planned change.
United Nations Industrial Development Organization (UNIDO)	September 2006	UNIDO is expected to present this issue to its member States during the Programme and Budget Committee (PBC) to be held 2-6 September 2006.
United Nations Office for Project Services (UNOPS)	September 2006 or later	It is expected that UNOPS will follow the UNDP timetable

Organization	*Month-year that report goes to governing body*	*Comments*
United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA)	United Nations General Assembly timing	UNRWA is governed by the General Assembly and, therefore, there is no need for UNRWA to submit separately. The UNRWA management has already agreed to implement IPSAS.
Universal Postal Union (UPU)	April 2006. Formal approval in 2008	At the April 2006 session of the Postal Operations Council, UPU informally discussed IPSAS implementation. UPU envisages requiring a recommendation from the Finance Committee to the UPU Congress in 2008 for formal approval.
World Food Programme (WFP)	12-16 June 2006	During the annual Executive Board session, 12-16 June 2006.
World Health Organization (WHO)	June 2006, informally. January 2007, formally.	WHO will raise the matter on an informal basis with some key member States during the World Health Assembly in June 2006. Formal documents will be presented to the WHO January 2007 meeting of the Executive Board and will include (to the extent possible) proposed changes to the Financial Regulations as a result of IPSAS adoption.
World Intellectual Property Organization (WIPO)	June 2006	The WIPO 2004-2005 Financial Management Report mentions that the Common System organizations have approved the introduction of IPSAS and its application no later than 2010. This report will be sent to member States shortly. It explains the main differences between IPSAS and UNSAS and states that WIPO will do its best to ensure a smooth transition to IPSAS. No decision has been made yet on whether the topic will be raised at the next session of the WIPO General Assembly in September/October 2006.

Annex V

Functions to be carried out by incumbents of the IPSAS posts to be established at the United Nations and peacekeeping operations

1. Incumbents of the posts to be established will have the following responsibilities:

- Managing the United Nations and peacekeeping IPSAS adoption projects and ensuring delivery of the outputs identified in the projects' terms of reference to all officers and staff performing accounting functions at offices, including offices away from Headquarters, regional commissions and peacekeeping missions. These outputs include:
  - Developing project and workplans;
  - Identifying the projects' critical path;
  - Liaising with any teams working on related projects, such as enterprise resource planning or revision of financial regulations and rules;
  - Providing information to key project stakeholders;
- Specifying contracted deliverables, engaging consultants and ensuring that the contracted deliverables are provided as specified;
- Completing specific implementation tasks, including:
  - Applying accounting policies to United Nations and peacekeeping specifics, including at peacekeeping missions, offices away from Headquarters and regional commissions (for example, determination of appropriate depreciation policies for vehicles, given their expected use and estimated useful life);
  - Adding United Nations- and peacekeeping-specific details to IPSAS-compliant model financial statements;
  - Incorporation of United Nations- and peacekeeping-specific technical content in accounting manuals;
  - Acting as lead trainers of United Nations and peacekeeping senior accounting staff to support training needs at all United Nations offices, including peacekeeping missions;
  - Developing, documenting and communicating United Nations-specific and IPSAS-compliant accounting procedures and workflow;
- Working with the system-wide IPSAS adoption team to identify and resolve implementation issues, to develop system-wide accounting policy and guidance, provide United Nations and peacekeeping responses on draft IPSAS and contribute to shared system-wide implementation decisions.

2. The incumbent of the P-5 post will be responsible for leading the team, developing project and work plans, identifying the project's critical path, engaging consultants, ensuring that the contracted deliverables are provided as specified and liaising with teams that are dealing with related projects, such as Enterprise

Resource Planning and revisions of the Financial Regulations and Rules, and working closely with the system-wide IPSAS adoption team. The incumbent of the P-4 post will be responsible for taking into account budgetary requirements, applying accounting policy and ensuring compliance with IPSAS model financial statements. The incumbent of the P-3 post will be responsible for training requirements and documentation/communication on United Nations-specific and IPSAS-compliant accounting procedures and workflow. The incumbent of the GS (OL) post will provide support to the team. It is recalled that the general temporary assistance requirements to be funded under the peacekeeping support account would provide for one P-4 and one P-3 post to strengthen the IPSAS team with respect to peacekeeping operations, particularly concerning the development of appropriate capitalization and depreciation policies, control changes and procedural changes, inventory valuations, the review of guidelines and arrangements for accounting for the transfer of equipment between missions and upon liquidation.

Annex VI

International Public Accounting Standards

A. Description of the basic differences between IPSAS and UNSAS

IPSAS requirements are on an accruals basis, UNSAS requirements modified accruals

1. UNSAS reporting requirements take a "modified accruals" approach that is very close to cash accounting. IPSAS requirements are on a full accruals basis. The effect of this is that IPSAS reports a larger group of items (assets and liabilities) on the balance sheet than does UNSAS. The pattern of expenses associated with these assets and liabilities is different. Under IPSAS, expenses associated with investments in assets are reported later than would be the case under UNSAS, while expenses associated with liabilities are reported earlier than would be the case under UNSAS.

IPSAS: Physical assets are capitalized and the related expense is reported as the asset is used

2. Under IPSAS the value of assets such as vehicles, computers, food and medical supplies is included on the balance sheet (Statement of Assets, Liabilities and Reserves and Fund Balances) when the assets are first acquired. The expenses associated with these assets would be reported in an organization's Statement of Income and Expenditure as follows:

- For assets such as cars or computers, their original cost is spread over their useful lives as the assets are used. The expenses are shown as "depreciation".
- For inventory such as stamps, food and medical supplies, their cost is expensed when the item is sold, transferred or used up.

3. Under UNSAS, such assets are not shown on the balance sheet. Instead, the cost of purchasing these assets is reported as expenditure in the Statement of Income and Expenditure, when the assets are purchased.

IPSAS: Employee obligations are reported as liabilities when the obligation occurs; the expense is reported at the same time

4. IPSAS requires that liabilities for After-Service Health Insurance (ASHI), repatriation grants and accrued annual leave be reported on an organization's balance sheet at the point that obligations are incurred. At the same time, the expense of these obligations must be reported. When the obligation is discharged by making payments or providing services to the employee, the reported liability is reduced accordingly.

5. Under UNSAS, organizations have a choice of treatments and most organizations do not report any liabilities for obligations incurred with respect to repatriation grants, ASHI and accrued annual leave on the balance sheet. The expenditures arising from these employee obligations are reported in the Statement of Income and Expenditure some time after the obligation occurs, when the payment to the employee is made or the service provided.

Qualitative differences between IPSAS and UNSAS

6. There are also basic qualitative differences between IPSAS and UNSAS. IPSAS standards are more detailed and prescriptive than UNSAS standards and have more credibility and more depth, because of the more rigorous process through which they are developed. IPSAS are better quality accounting standards than are UNSAS.

B. Advantages and disadvantages of IPSAS

Advantages	*Disadvantages*
IPSAS are credible, high-quality, independently produced accounting standards, underpinned by a strong due process.	
IPSAS are international accounting standards that represent current best practice for international organizations and meet best practice management requirements with respect to financial reporting. As IPSAS are consistent with accepted accounting practice, they will be more understandable to a wider group of financial statement users.	IPSAS are not specially developed (customized) for United Nations needs. IPSAS are developed with the information needs of a range of organizations in mind and with the aim of convergence, to the extent possible, with International Financial Reporting Standards (IFRS). This means that it will be necessary to provide some additional guidance when they are applied in the United Nations for Organization-specific issues.
IPSAS will improve the quality, consistency and comparability of United Nations financial reporting with consequential improvements in transparency, accountability, governance and financial management. For example, IPSAS requirements will make the present ASHI liability more visible by requiring that it be shown on the balance sheet.	An initial drawback of adopting IPSAS will be that additional resources will be required for investment in: training for accounting and administration staff, communication with and education of managers and users of the financial statements; review and amendment of policies, procedures and financial regulations and rules.
IPSAS adoption would enable the General Assembly to hold the Secretariat to a higher level of accountability for the proper management and tracking of its financial and non-financial assets.	
IPSAS requires full accrual accounting, which is necessary for best practice financial management and results in improved internal control and transparency with respect to assets and liabilities.	IPSAS may result in initial additional costs related to changes to asset and liability management as a result of the improved information about these items.
IPSAS will integrate non-expendable equipment into the accounting system, with resulting improvements in the accuracy and completeness of non-expendable equipment records.	The increase in coverage of assets may require an increase in ongoing data entry, but modern information systems have been designed to facilitate this type of data capture.
IPSAS provides more comprehensive information about costs that will better support results-based management.	
IPSAS will support more efficient use of United Nations financial and human resources and the efficient and effective conduct of its work.	

Advantages	*Disadvantages*
IPSAS are supported by the Board of Auditors and the Panel of External Auditors, Governments, professional accounting bodies and international organizations, such as the International Organization of Supreme Audit Institutions (INTOSAI), the Organization for Economic Cooperation and Development (OECD) and the World Bank.	Initial costs could arise relating to training, etc., as United Nations system auditors need to familiarize themselves with IPSAS requirements notwithstanding that auditors from some countries, for example Switzerland and South Africa, have already adopted IPSAS.
IPSAS are consistent with "off-the-shelf" information systems and should reduce ongoing costs of information system upgrades.	Without an upgrade or replacement of the present United Nations information system, IPSAS adoption will not be feasible.

Annex VII

Illustrative impact of consolidating peacekeeping accounts while retaining the linkage between assessments and mandate periods approved by the Security Council

In order to illustrate the impact of the implementation of the revised proposals for the consolidation of peacekeeping accounts, the table below compares actual assessments issued in the 2005-2006 financial period (including assessments expected to be issued in June 2006) under the present arrangements with those that would have been issued had the revised proposal for consolidation of peacekeeping accounts been implemented — with provision for maintenance of the linkage between assessments issued and mandate periods approved by the Security Council.

	Assessments 1 July 2005-30 June 2006	*Credits*	*Proposed consolidation*	
July	1 566 917 213	(169 019 089)	1 566 917 213	July 2005
August	64 918 170			
September	488 124 356			
October	180 637 625		733 680 151	October 2005
November	22 938 929			
December	1 217 934 232	(33 179 038)		
January	171 099 236	(238 990)	1 411 972 397	January 2006
February	430 746 676			
March	—			
April	448 419 176		879 165 852	April 2006
May	22 798 281			
June[a]	23 500 000		46 298 281	(July 2006)[b]
	4 638 033 894		**4 638 033 894**	

[a] Estimated assessments until the end of the fiscal period.
[b] To be combined with the July 2006 assessments for the fiscal period 2006-2007.

Annex VIII

Improving public access to United Nations information and improving reporting mechanisms

A. Improving access to United Nations information

Breakdown of requirements for 2006-2007

Item	*Purpose*	*Cost (thousands of United States dollars)*
Posts: 1 P-5, 1 P-4, 1 GS (OL)		464.0
General temporary assistance	See paragraphs 5 (a), 7 (a) and 9 (b) below	435.6
Travel of staff	For consultations and advisory/assessment missions to offices away from Headquarters	60.0
Contractual services	(a) Information disclosure and records experts to: conduct information products inventory; develop content for development programmes; develop Internet site	400.0
	(b) Training development and delivery at all duty stations	
IT support	Configure information system for request management and appeals system	96.0
Software	Software licenses	40.0
Premises and related equipment and supplies	Rent, furniture, computers, telephones and related charges and office supplies	248.2
Total		**1 743.8**

1. The resource requests relate to the following four objectives in support of implementing the access to information policy. All objectives would be under the overall supervision of the Section Chief. In addition, travel of staff resources ($60,000) would cover advisory/assessment missions to duty stations to meet all objectives of the information policy proposal, estimated at 10 trips.

Objective 1: Develop the strategic, substantive framework to implement the policy

2. The substantive work programme for the policy will be developed through strategic and operational planning that will include:

- Related policies, information circulars, procedures and guidance;
- Oversight mechanism, reporting requirements;
- Development of a model action plan that will set out the steps to be taken by Secretariat offices to ensure they are ready to comply with the policy;
- Programme management, including reporting, liaison with the Secretariat, including alignment with the programmes of the Office of Internal Oversight

Services, the United Nations Archives and Records Management Section, the Department of Public Information outreach activities, etc.

3. Associated resources for objective 1:

- 1 P-5 Section Chief, to oversee the above-mentioned tasks as well as the overall management of the programme;
- 1 GS (OL) to provide administrative support for the Section Chief, in areas such as human resources, procurement and financial management;
- Contractual services ($50,000) will provide expertise in information disclosure necessary to:
  - Identify and provide specialized content for a suite of guidance and administrative issuances to support the policy;
  - Advice on governance structures, such as the composition of review panels; oversight and reporting mechanisms;
  - Identify for United Nations practice benchmarks of accepted international best practice

Objective 2: Implementation strategy: gap analysis of capability and capacity in records management

4. The objective of this task is twofold: first to obtain a top-down view of information assets in the Organization; in turn this will enable Secretariat offices to begin to develop systems and practices that inform them as to the information they hold and where that information is, and to be able to distribute it in a timely and efficient manner. Second, a gap analysis of records management practice in the Secretariat will form the basis for targeted improvements as a necessary foundation for facilitating access to information. As a first stage, it is proposed to:

- Establish an inventory record created by United Nations offices;
- Develop a baseline standard, using the inventory, of categories of information that can be disclosed;
- Identify classified information that can be declassified and made available

5. Associated resources for objective 2:

(a) General temporary assistance to manage inventory project and assist in inventory development at the United Nations Office at Vienna, the United Nations Office at Geneva, the Economic and Social Commission for Asia and the Pacific, the Economic and Social Commission for Western Asia, the Economic Commission for Africa, and the United Nations Office at Nairobi;

(b) Contractual services ($125,000) to advise offices at all duty stations in conducting the records inventory by:

- Developing a survey methodology and tool(s);
- On-site advisory service to staff delegated responsibility to inventory records (all duty stations);
- Analyse records and recommend:

- Baseline standards for categories of information that can be disclosed;
- Records for priority declassification

- Develop an information assets inventory for dissemination on the website (inventory will be based on the survey results);
- Develop a road map and "model action plan" for use by Secretariat offices in preparing to implement the access to information policy

Objective 3: Communication, change management and training in the "model action plan"

6. It is important to recognize that the access to information policy represents a significant shift in the way that the United Nations will deal with requests for information and it will bring about significant changes to the cultures of dealing with such requests and handling information generally. An internal and external communication strategy for members of the Secretariat and stakeholders, as well as comprehensive training and awareness-raising for staff at all duty stations, is planned, including workshops, feedback programmes, brochures, questionnaires, Web training, resources links and outreach to Member States.

7. Associated resources for objective 3:

(a) General temporary assistance for project management and to coordinate translation and publication (through various means) of all materials;

(b) Contractual services ($200,000) will provide:

- Content development for training and development workshops;
- Workshop delivery at all duty stations;
- Digital (Web-based and CD-ROM) learning programme and toolkit for United Nations staff;
- Public information/outreach materials to promote awareness of the access to information policy

Objective 4: Develop information systems

8. Specialized information systems will be required to support the request management process. In addition, a website as a "one-stop-shopping" site for the public and staff to request and receive information, and to learn more about information disclosure.

9. Associated resources for objective 4:

(a) 1 P-4 post for an Information Management Officer to carry out business process analysis to develop requirements for the request management and appeals processes, and to manage implementation of the request management system. The P-4 will assume responsibility for daily operations of the request management system and information management systems;

(b) General temporary assistance to manage the website; link database of newly available information to the website; place on the Internet training materials and the inventory of information assets;

(c) Software licenses ($40,000) for the United Nations standard software for content management and/or customer relations management;

(d) IT support ($96,000) to configure software to meet disclosure/request management requirements and compliance testing against United Nations/International Standards Organization (ISO) ICT information security standards;

(e) Contractual services ($25,000) to design and deliver a website covering all aspects of the information disclosure programme.

Premises and related equipment and supplies

10. A total of $248,200 provides for the central support services requirements for the associated staffing (posts and general temporary assistance). It is based on standard costs and comprises rental of premises ($61,100), fit-out of premises ($88,800), furniture and equipment ($45,400), communications and IT costs ($32,200) and office supplies ($20,700).

B. Annual performance report

11. With the proposed introduction of the annual report on the performance of the Organization, the annual report of the Secretary-General on the work of the Organization will continue to be produced.

12. The proposed annual performance report will focus on linking policy priorities, programme activities and resources, and on management challenges and corrective actions, thereby providing the information necessary for the General Assembly and the global public to assess the Organization's performance and management of resources. In addition, as indicated in paragraph 8 of document A/60/846/Add.4, other mandated reports, such as the United Nations financial statements and reports of the Office of Internal Oversight Services and the United Nations Board of External Auditors will continue to be provided. Feedback from Member States will play a critical role in validating and redefining the proposal.